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*Management Succession Fifteenth Annual Survey*

# THE NEWLY PROMOTED EXECUTIVE

## A Study in Corporate Leadership
## 1984-85

Herbert W. Hildebrandt
Edwin L. Miller
Floyd A. Bond

A publication of the Division of Research
Graduate School of Business Administration
The University of Michigan

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*ISBN 0-87712-247-4*

# Introduction

The following study is the fifteenth annual survey of business executives promoted to the position of Chairman of the Board, President, or Vice-President of leading American corporations during the fiscal year 1984-85.

This report is based on a revised questionnaire which continues a series of core questions for longitudinal analysis and includes numerous new questions relating to family backgrounds and demographic information. Some previous questions have been omitted — those which contributed little to the content of the study.

A summary of the first decade appeared in the 1980 September-October issue of the *Harvard Business Review*. Other articles based on recent data also appeared in *The Journal of Business Communication; The Journal of Communication Management; Public Utility Fortnightly; Directors and Boards; The Executive* (Hong Kong); *The Asian Wall Street Journal*; and in papers of professional associations.

Our return rate continues to be high, just under 40 percent for this year, representing 1,097 completed questionnaires. Only one mailing was made to each executive. A second mailing was not possible inasmuch as we had promised anonymity and had no way of identifying which executives had returned their questionnaires. Data were collected on a timely basis from primarily large companies in diversified industries.

While the authors are responsible for the questionnaire, they continue to invite suggestions from readers as to the kind of information which would prove helpful. Over the years, comments on the questionnaires themselves have given useful ideas.

The study is limited to discussion of three positions: Chairman of the Board, President, and Vice-President. Other respondents have been omitted from the study. Each section of the monograph provides aggregate data for the three executive groups corresponding to the order of questions in the questionnaire.

In-depth analyses continue to be undertaken as the size of the study group increases. Over the last three years we had responses from 5,299 executives, now giving us a current data base of 6,396.

A major objective in releasing this publication is timeliness. We hope the findings which follow will be informative and interesting, and particularly useful to business executives and academic scholars.

## THE NEWLY PROMOTED EXECUTIVE

### 1. Positions to which appointed

Of the 1,097 executives promoted during the fiscal year, 60 became Board Chairmen, 23 became Vice-Chairmen, 285 became corporation Presidents, and 723 were promoted to Vice-Presidencies. Six executives provided insufficient information for proper placement in our classification system. Of the 368 Chairmen and Presidents, 146 were appointed Chief Executive Officers as well. Of the 723 Vice-Presidents, 132 were appointed Executive Vice-Presidents. Other Vice-Presidents reported their major responsibility, listed in order of frequency, as Operations or Division Management, Legal, Controller, Corporate Planning, Marketing, Finance, Personnel, International, and Treasurer.

| *Position* | *Percentage* |
|---|---|
| Chairman and Chief Executive Officer | 4.6 |
| Chairman, not Chief Executive Officer | 0.5 |
| Chairman and President | 0.4 |
| Vice-Chairman | 2.1 |
| President and Chief Executive Officer | 8.8 |
| President, not Chief Executive Officer | 10.1 |
| President of subsidiary, division, or group | 7.2 |
| Executive Vice-President | 12.1 |
| Group Vice-President | 3.7 |
| Senior Vice-President | 13.8 |
| Vice-President | 36.7 |
| | 100%* |

*Rounding will sometimes result in percentages greater or less than 100%.

### 2. Industries represented

Great diversity continues to be a major characteristic within the industrial classification of companies employing this year's sample of newly promoted executives. Over fifty different industries are represented, including both nonmanufacturing and manufacturing companies.

A useful way to view the breadth of the industries represented in this study is to classify them according to major business categories. Of course the relative frequency of executive promotions is not the same for all the industries in any one year, and it is precisely the executives who are promoted — their characteristics, background experience, and attitudes — who are the subjects of this study. The relative frequency of promotion by major business categories follows:

| *Business Group* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| Durable Goods Manufacturing | 30.5 | 28.8 | 33.3 | 30.3 |
| Nondurable Goods Manufacturing | 21.9 | 7.6 | 17.9 | 25.2 |
| Other Industries | 10.2 | 6.1 | 13.7 | 8.9 |
| Regulated Industries | 11.9 | 16.7 | 9.8 | 12.4 |
| Finance, Insurance, Real Estate | 14.1 | 24.2 | 15.8 | 12.0 |
| Business Services | 4.4 | 6.1 | 3.9 | 4.6 |
| Retail and Wholesale Trade | 6.2 | 9.1 | 5.6 | 5.8 |
| | 100% | 100% | 100% | 100% |

### 3. Company size as measured by annual gross operating revenue

Just over 50 percent (52.6 percent) of the companies have an annual gross operating revenue of more than $1 billion. One-third exceed $2 billion annually, and just about 7 percent exceed $10 billion a year. Only 12.9 percent have an annual revenue of less than $100 million. It is therefore clear that the study group is more representative of the executive leadership of large corporations than small, a characteristic paralleled in our previous studies. To a major extent this underrepresentation of small corporations may be attributed to smaller businesses not announcing promotions in national business publications.

Promotions to Board Chairman and President do, of course, tend to occur more frequently in the hundreds of smaller companies than the above figures would suggest. However, this year more promotions to Chairman and President occurred in companies below $100 million of gross operating revenue than in the last three years. Even more striking is the fact that over two-thirds of the promotions to Vice-President occurred

in companies with an annual gross operating revenue between $2 and $10 billion.

These differences should be kept in mind when analyzing the data which follow.

| *Gross Operating Revenue* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| Under $100 million | 12.9 | 32.8 | 29.9 | 4.4 |
| $100 million to less than $500 million | 18.0 | 31.3 | 33.8 | 10.7 |
| $500 million to less than $1 billion | 16.6 | 20.3 | 17.8 | 16.0 |
| $1 billion to less than $2 billion | 16.9 | 7.8 | 8.5 | 20.7 |
| $2 billion to less than $10 billion | 28.3 | 6.3 | 8.2 | 38.1 |
| Over $10 billion | 7.4 | 1.6 | 1.8 | 10.2 |
| | 100% | 100% | 100% | 100% |

**4. Annual base salary prior to promotion**

**5. Annual base salary after promotion**

Based on the mean, the percentage of salary increases in two executive categories was greater this year than in the previous three years. For instance in 1981-82 the mean percentage increase for Presidents was 18.9 percent (21.9 percent today) and for Vice-Presidents 18.2 percent (19.2 percent today). Chairmen, by contrast, had a 14.3 percent increase in 1981-82 and 11.8 percent today.

A measure of the average salary increase is shown by the median salary of $107,023 before promotion and $129,000 after promotion, a rise of 20.5 percent as compared with last year's increase of 17.8 percent. Another measure of the increase is shown by the mean salary of $122,480 before promotion and $146,001 after promotion, an increase of 19.2 percent.

The largest increases for this year were for the persons promoted to Presidencies. The median salaries this fiscal year were $123,068 before promotion and $150,095 after promotion, a rise of $27,027 or 21.9 percent. Comparable data are shown below for Chairmen and Vice-Presidents. Executive salaries as a whole continued to rise.

| *Median Salary* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| Before promotion | $107,023 | $170,333 | $123,068 | $ 99,000 |
| After promotion | 129,000 | 199,833 | 150,095 | 117,000 |
| Dollar increase | 21,977 | 29,500 | 27,027 | 18,000 |
| Percentage increase | 20.5 | 17.3 | 21.9 | 18.1 |

| *Mean Salary* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| Before promotion | $122,480 | $181,967 | $136,701 | $110,034 |
| After promotion | 146,001 | 203,622 | 165,737 | 131,235 |
| Dollar increase | 23,521 | 21,655 | 29,036 | 21,201 |
| Percentage increase | 19.2 | 11.9 | 21.2 | 19.2 |

### 6. Perquisites available with the job

Promotion brought with it a variety of financial as well as nonfinancial rewards. Consistently, across our three executive categories, the cash bonus was the foremost financial perquisite. While stock options were ranked second by Presidents, for Chairmen they were a close third, and company-leased automobiles were second.

Regardless, it is striking that many incentives in all categories are available to top-level executives.

| | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| Cash bonus | 89.2 | 74.2 | 87.7 | 91.0 |
| Stock options | 76.7 | 66.7 | 78.6 | 76.3 |
| Company-leased automobile | 63.4 | 69.7 | 75.8 | 57.3 |
| Club memberships | 52.0 | 56.6 | 61.1 | 47.6 |
| Deferred compensation plan | 51.2 | 40.9 | 42.5 | 55.5 |
| Stock purchase plan | 43.7 | 21.3 | 36.5 | 47.6 |
| Retirement annuity | 41.1 | 28.8 | 35.1 | 43.6 |
| Financial planning | 37.4 | 27.3 | 35.1 | 39.1 |
| Employment contract | 18.3 | 34.8 | 28.1 | 12.9 |
| Low-cost loans | 7.6 | 4.5 | 7.4 | 7.5 |
| Other | 11.9 | 10.6 | 11.6 | 12.3 |

### 7. How long have you been with your present employer?

The median length of service with the present employer is 10.9 years, similar to last year's data. The median for Chairmen is 16 years, far below last year's 21.4 years. Whether such a decrease is a trend will be answered as the study continues. For Presidents the median is 8.3 years, less than last year's 11, and for Vice-Presidents 10 years, similar to last year's 10.9.

| *Years with Company* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| Less than 1 | 19.6 | 13.6 | 22.8 | 19.2 |
| 1-5 | 18.0 | 10.6 | 20.7 | 17.2 |
| 6-10 | 13.4 | 9.1 | 11.2 | 14.9 |
| 11-15 | 12.6 | 15.2 | 10.5 | 13.2 |
| 16-20 | 12.2 | 13.6 | 11.9 | 11.8 |
| 21-25 | 8.7 | 10.6 | 8.1 | 8.9 |
| 26-30 | 7.3 | 12.1 | 6.7 | 7.2 |
| Over 30 | 8.3 | 15.2 | 8.1 | 7.6 |
| | 100% | 100% | 100% | 100% |

### 8. Were you promoted from within the company?

Most of the newly promoted executives, regardless of position, were promoted from within. This generalization is applicable over the last four years. However, for each of the executive level categories, there were cases in which companies did hire from the outside. In only a limited number of cases were the executives acquired through acquisition of another company. As would be expected, Presidents and Vice-Presidents were hired from the outside more frequently than were Chairmen.

| *Method of Promotion* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| Promoted from within | 79.3 | 84.8 | 75.5 | 79.8 |
| Hired from outside | 19.7 | 13.6 | 23.0 | 19.2 |
| Acquired through acquisition | 0.9 | 1.5 | 1.4 | 0.9 |
| | 100% | 100% | 100% | 100% |

### 9. Length of time in previous position

The median length of time in the previous position for all executive groups was 4.8 years, slightly less than last year's 4.11 years. For Presidents the median was 7.1; for Vice-Presidents 4.58. Interestingly, for Chairmen the median was only 5.5 years.

| *Years in Previous Position* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| Less than 1 | 8.8 | 9.4 | 10.6 | 6.6 |
| 1 to 2 | 12.3 | 14.1 | 13.5 | 8.7 |
| 2 to 3 | 21.0 | 9.4 | 20.2 | 19.5 |
| 3 to 4 | 16.5 | 10.9 | 15.6 | 19.4 |
| 4 to 5 | 10.2 | 15.6 | 6.7 | 12.9 |
| 5 to 6 | 8.8 | 7.8 | 9.6 | 11.1 |
| 6 to 9 | 12.3 | 10.9 | 13.5 | 13.1 |
| 10 to 15 | 6.1 | 10.9 | 5.3 | 4.8 |
| 15 or more | 3.9 | 10.9 | 5.0 | 3.8 |
| | 100% | 100% | 100% | 100% |

### 10. What were the three most important considerations in your decision to change positions?

"Personal challenge" continues to be the executives' most important reason for changing positions. As a generalization, the overall ordering of the various considerations is strikingly similar for all three executive groups. Although there are some differences in ordering, the three most significant considerations regardless of executive classification were "Personal challenge," "Importance of job," and "Normal career advancement."

For both Presidents and Vice-Presidents, "future opportunity for advancement" was of significant importance too. Furthermore, over 25 percent of the Presidents and Vice-Presidents included "monetary considerations" as one of the four most important considerations in their decision to change positions compared with only 7.6 percent of the newly promoted Chairmen.

Finally, it appears that although the reasons for change show great similarity across the various groups of executives, there are differences

between the groups. The reasons for accepting a new job were likely to have been a function of the executives' organization level and the perceived career potential of the new position.

| *Factor* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| Personal challenge | 53.1% | 40.9% | 70.2% | 47.9% |
| Importance of job | 39.7 | 39.4 | 40.7 | 39.8 |
| Normal career advancement pattern | 37.5 | 47.0 | 32.3 | 38.6 |
| Future opportunity for advancement | 29.4 | 4.5 | 19.3 | 36.1 |
| Monetary considerations | 24.2 | 7.6 | 28.1 | 24.6 |
| Prestige and recognition | 17.4 | 16.7 | 16.8 | 18.0 |
| Anticipated success | 13.8 | 7.6 | 21.8 | 11.5 |
| Personal working relationships | 10.3 | 6.1 | 11.9 | 10.0 |
| Preferable type of work | 7.6 | 10.6 | 8.1 | 6.8 |
| Family considerations | 5.7 | 6.1 | 5.3 | 5.8 |
| Other considerations | 5.1 | 6.1 | 4.2 | 5.3 |

**11. How many companies did you work for prior to your present company?**

Chairmen (19.0 percent) and just over 14 percent of the Presidents have worked for no other company. Last year 29.1 percent of the Chairmen worked for no other company, suggesting that fewer Chairmen this year were promoted from within.

Half of the newly promoted executives in all three groups had work experience with at least two different companies prior to their recent promotion. The medians for the three groups are 1.5 for Chairmen, 1.8 for Presidents, and 1.5 for Vice-Presidents.

| *Companies* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| 0 | 20.1 | 19.0 | 14.2 | 23.0 |
| 1 | 27.8 | 30.2 | 28.7 | 26.9 |
| 2 | 23.0 | 23.8 | 23.3 | 22.6 |
| 3 | 15.2 | 17.5 | 14.5 | 15.2 |
| 4 | 7.0 | 4.8 | 8.4 | 6.9 |
| Over 4 | 6.9 | 4.8 | 11.0 | 5.4 |
| | 100% | 100% | 100% | 100% |

**12. Have you ever worked abroad? If so, for how many years?**

Approximately one in five of the newly promoted executives has worked abroad, and this ratio continues to remain similar to that of the past years. An overseas assignment continues to be an important career-related experience for the newly appointed Presidents and Vice-Presidents.

The length of service overseas varies considerably, with a mean of 5.9 years abroad and a median of 4.0 years for all executives.

| *Worked Abroad* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| Yes | 19.4 | 9.1 | 20.4 | 19.8 |
| No | 76.6 | 90.9 | 79.6 | 80.2 |
| | 100% | 100% | 100% | 100% |

| *Number of Years of Foreign Service* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| Median | 4.0 | 2.0 | 4.3 | 4.0 |
| Mean | 5.9 | 6.2 | 6.4 | 5.7 |

**13. In what major area of responsibility —**

**— was your first job?**

Finance/Accounting and Marketing/Sales followed by Production/Operations continue to be the three major areas of responsibility in which the newly promoted executives began their careers (23.4, 23.1, and 16.3 percent, respectively). These were followed by 9.4 percent in Research/Development, 7.0 percent in Law, and 4.8 percent in General Management/Administration.

For most executives, their first job responsibility was in the functional area of Finance/Accounting. Over 23 percent began their careers with this assignment, continuing a major trend over the past five years.

**— is your current job?**

General Management continues to represent the major area in which the executives work. Of the newly promoted executives, 54.2 percent reported that General Management is their primary area of responsibility, similar to last year's 55.0 percent.

**— were you last employed?**

The shift on the route up from functional fields of specialization to General Management is evident in the career patterns of these executives. General Management, in which only 4.8 percent started their careers, was the major area of responsibility for 42.9 percent prior to their recent promotion. This is what should be expected given the very nature of their job titles and level within the management hierarchy.

**— was your second-to-last job?**

**— was your third-to-last job?**

General Management/Administration, followed by Finance/Accounting (for both second-to-last and third-to-last jobs) is the primary

route taken by the executives on their way to their current top leadership position, which is most commonly in General Management/Administration.

Executives definitely tend to move out of their first job assignment. For example, 16.3 percent began in Production/Operations. By the third-to-the-last job that percent had dropped to 13.4 percent; by the second-to-the-last job 10.3 percent; the last job 8.0 percent; and down to 5.3 percent for the current job. Similar decreasing percentages from first job through third, second, last, and current job also occur in Marketing/Sales, Finance/Accounting/Taxes, Research and Development, Law, and Computer/Information Systems.

The area that executives move into from their first job is General Management/Administration: 21.2 percent in their third-to-last position; 42.9 percent in their last position; and 54.2 percent in their current position.

### — have you spent the most time?

This frequency distribution is similar to that for the first job in most respects, with one notable exception. While 21.5 percent of the newly promoted executives spent the most time (during their rise to the top) in General Management, only 4.8 percent had their first job in General Management.

The median number of years devoted to the area of responsibility in which the newly promoted executives spent the most time was 15.3 and the mean was 16.5. In order to obtain a better understanding of the number of years devoted to a major area of responsibility, it should be noted that the range was from 2 to 47 years.

### — is upward progress fastest?

Marketing/Sales and General Management/Administration are again considered to be the two fastest routes to the top by a majority of the newly promoted executives (32.3 and 20.2 percent, respectively), followed by Finance/Accounting. All other functional areas rate significantly lower in the judgment of these executives.

**— would you concentrate if starting over?**

Marketing/Sales, Finance/Accounting, and General Management/Administration continue to be the three favored areas in which executives in our study would concentrate if starting over (28.4, 24.1, and 14.7 percent, respectively).

The ratings for the various specializations the executives would choose if starting over were similar to the pattern of areas of responsibility of their first jobs, except that many more would like to start in General Management/Administration and fewer in Production/Operations and Research and Development.

A comparison of these results with those collected during the last five years indicate great similarity in both the executives' career patterns and their attitudes about job mobility.

| *Major Area of Responsibility* | *First Job* | *Current Job* | *Last Job* | *Second-to-last Job* | *Third-to-last Job* | *Most Time* | *Fastest Route Up* | *If Starting Over* |
|---|---|---|---|---|---|---|---|---|
| Production/ Operations | 16.3 | 5.3 | 8.0 | 10.3 | 13.4 | 10.6 | 10.2 | 10.9 |
| Marketing/Sales | 23.1 | 7.4 | 12.1 | 17.3 | 20.0 | 20.7 | 32.3 | 28.4 |
| Finance/Accounting/ Taxes | 23.4 | 14.5 | 17.6 | 19.3 | 21.2 | 22.8 | 19.7 | 24.1 |
| Personnel/Industrial Relations | 3.6 | 4.2 | 3.8 | 4.7 | 4.8 | 4.4 | 2.1 | 3.4 |
| Research and Development | 9.4 | 1.8 | 2.5 | 3.5 | 5.4 | 5.2 | 1.9 | 4.2 |
| Law | 7.0 | 3.9 | 4.4 | 4.4 | 5.3 | 5.8 | 2.6 | 6.6 |
| General Management/ Administration | 4.8 | 54.2 | 42.9 | 31.8 | 21.2 | 21.5 | 23.2 | 14.7 |
| Computer/ Information Systems | 3.1 | 2.2 | 2.3 | 2.2 | 2.8 | 2.5 | 3.3 | 3.3 |
| Other | 9.4 | 6.6 | 6.4 | 6.4 | 5.9 | 6.6 | 4.7 | 4.5 |
| | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |

**14. Are you now a director of your company?**

Approximately one-third of the newly promoted executives are directors of their respective companies. As a generalization, membership on the board of directors is related to level within the organization's manage-

ment hierarchy. Approximately 90.5 percent of the Chairmen are members of the board although 9.5 percent, surprisingly, are not. Only 72.1 percent of the Presidents and 11.5 percent of the Vice-Presidents are directors within their companies.

| *Director of own company* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| Yes | 32.9 | 90.5 | 72.1 | 11.5 |
| No | 67.1 | 9.5 | 27.9 | 88.5 |
| | 100% | 100% | 100% | 100% |

## 15. Number of outside corporate directorships

A popular misconception is that Chairmen and Presidents are members of many boards. Our data suggest otherwise: 40.3 percent of the Chairmen and 53.3 percent of the Presidents hold no outside directorship. Not surprising, 82.9 percent of the Vice-Presidents are not on any outside boards.

| *Directorships* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| 0 | 72.2 | 40.3 | 53.3 | 82.9 |
| 1 | 15.4 | 27.4 | 25.2 | 10.4 |
| 2 | 8.1 | 16.1 | 15.6 | 4.2 |
| 3 | 3.2 | 11.3 | 4.1 | 2.1 |
| 4 | 0.4 | 1.6 | 1.1 | 0.1 |
| Over 5 | 0.7 | 3.2 | 0.8 | 0.2 |
| | 100% | 100% | 100% | 100% |

## 16. Number of nonprofit organization directorships

These newly promoted executives are members of the board of directors for an average of 1.0 nonprofit organizations. Chairmen hold directorships in approximately the same number of nonprofit organiza-

tions as Presidents and twice as many as Vice Presidents. Again it should be noted that serving as a director of a nonprofit organization is associated with management level. As one advances up the organization's management hierarchy, the more likely it is that one will be approached to serve as a director of a nonprofit organization.

| *Number of outside directorships* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| Mean | 1.0 | 1.6 | 1.3 | .8 |
| Median | .5 | 1.3 | .8 | .4 |

**17. At your level in the organization is it considered important that you will —**

**— Participate in external political activity?**

Not quite one-third of the executives suggest political activity is important in their firm. That perception is about equal among the Vice-Presidents (3.1); Presidents (3.1), and Chairmen (2.9) when viewing that mean on a value scale of one — highest, to five — lowest. At the opposite extreme of the importance of political activity, 32 percent of the executives fall into the category of working for companies which consider political activity less important.

**— Encourage a mentoring process?**

Just over half, or 57.6 percent, of all executives consider a mentoring process either important or very important. Over 13 percent consider mentors unimportant or very unimportant.

**— Work a certain number of hours per week?**

The Chairmen in our study worked more hours per week than the other two executive categories, an average of 57.5 hours a week; Presidents 55.1; and Vice-Presidents 54.8. For all groups the mean was 55.0, the median 55.1, with the mode being 60 hours of work a week.

**— Attend external management development programs?**

Over one-third, or 43.2 percent, of the executives considered external management programs either important or very important. At the other extreme nearly 21.3 percent considered such training unimportant or very unimportant. Major themes felt to be important include the following: corporate financial management; basic management for the newly appointed manager; general management; strategic planning and implementation; finance; long-range planning; and advanced human resource management.

| *Company Activity* | *Mean* | *Very Important* 1 | 2 | 3 | 4 | *Very Unimportant* 5 |
|---|---|---|---|---|---|---|
| Political Activity | 3.1 | 9.4 | 22.5 | 35.2 | 10.7 | 22.2 |
| Mentor | 2.4 | 20.0 | 37.6 | 28.6 | 6.5 | 7.3 |
| Hours of Work/Wk | 55.0 | | | | | |
| External Programs | 2.8 | 8.1 | 35.1 | 35.5 | 10.6 | 10.7 |

## 18. Education

**— by education level**

An inescapable conclusion to be drawn from these data is that newly promoted executives, considered as a group, are highly educated, and it is expected that this trend will continue.

The proportion of newly promoted executives with less than a high school diploma is 0.2 percent, the proportion who graduated from high school but did not obtain a college degree is 6.3 percent, while 93.3 percent of newly appointed executives have a college degree.

Again this year the results indicate that over half of the executives (51 percent) had an advanced degree at the graduate/professional level. The percentage of Vice Presidents with an advanced degree (52 percent) is higher than that of the Presidents (48 percent) or Chairmen (41 percent), suggesting that within several years at least half of the Presidents and Chairmen will possess advanced degrees.

| *Education Level* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| Less than high school graduate | 0.2 | — | 0.4 | 0.1 |
| High school graduate | 1.2 | 3.0 | 4.7 | 0.8 |
| Some college, no degree | 5.1 | 6.1 | 4.6 | 5.4 |
| Received undergraduate degree | 93.3 | 90.9 | 93.3 | 93.5 |
| | 100% | 100% | 100% | 100% |

**— by major field of study**

The most common undergraduate majors of newly promoted executives are Business Administration (30.7 percent) and Engineering (29.4 percent). Social Science is next (18.5 percent), with Economics making up over half of that total. Humanities and Liberal Arts as well as the Behavioral Sciences are among the least popular fields of study.

At the graduate/professional level — for the first graduate degree — 54.8 percent obtained a Business Administration degree. The second most frequent is Law, and 17.4 percent of the newly promoted executives obtained such a degree. A graduate degree in Engineering is the third most popular and 15.5 percent of the executives earned such a degree.

| Major Fields of Study | Under-graduate | Graduate/ Professional 1st Degree | Graduate/ Professional 2nd Degree |
|---|---|---|---|
| Business Administration | 30.7 | 54.8 | 35.9 |
| Engineering | 29.4 | 15.5 | 17.9 |
| Social Science | 18.5 | 3.7 | 10.3 |
| Science and Mathematics | 9.1 | 5.3 | 12.9 |
| Humanities and Liberal Arts | 4.0 | 0.4 | — |
| Behavioral Science | 2.8 | 0.8 | — |
| Law (and Prelaw) | 0.1 | 17.4 | 17.9 |
| Other | 5.4 | 3.2 | 5.1 |
| | 100% | 100% | 100% |

**— by degree-awarding schools**

Many readers will be particularly interested to learn the school where these highly successful, well educated executives obtained their higher education. The executives received their undergraduate degrees at 287 colleges and universities. More than 96 percent of them graduated from American institutions of higher education; of the remainder, 0.6 percent attended Canadian colleges and universities, 1.0 percent in the United Kingdom, and 1.6 percent in other foreign countries.

Those who obtained advanced degrees (50 percent) received them from 16 colleges and universities, and more than 98 percent of the executives graduated from American institutions of higher learning. Only a few attended universities in Canada, the United Kingdom, or other foreign countries.

Michigan leads among all colleges and universities as the school from which most of the executives received their undergraduate degree. Yale is second and Harvard is third. However, one must accept these data cautiously because of the potential for bias in the response. That is, Michigan graduates are likely to return the questionnaire because it is from a Michigan-sponsored study.

At the advanced degree level, the ordering is significantly different from that of the undergraduate list. Harvard leads all other institutions by a large margin. Michigan is a distant second. Columbia and Pennsylvania follow closely in the distribution.

| *College/University* | *Undergraduate Degrees* | *College/University* | *Advanced Degrees* |
|---|---|---|---|
| Michigan | 2.6% | Harvard | 12.5% |
| Yale | 2.1 | Michigan | 5.4 |
| Harvard | 1.9 | Columbia | 4.4 |
| Purdue | 1.8 | Pennsylvania | 4.4 |
| Dartmouth | 1.7 | Massachusetts Institute of Technology | 3.2 |
| Princeton | 1.7 | New York University | 3.2 |
| Northwestern | 1.6 | Northwestern | 3.2 |
| City College New York | 1.6 | Stanford | 2.8 |
| Stanford | 1.5 | Chicago | 2.5 |
| Notre Dame | 1.3 | George Washington | 1.8 |
| Cornell | 1.3 | Syracuse | 1.8 |
| Minnesota | 1.3 | Cornell | 1.2 |
| Wisconsin | 1.2 | USC | 1.2 |
| | | Minnesota | 1.1 |
| | | Illinois | 1.1 |
| | | Indiana University | 1.1 |
| | 21.6% | | 50.9% |

**19. For the student who plans to follow an undergraduate degree with graduate/professional study, what would you recommend for an undergraduate major and for graduate work as the best preparation for a management career?**

At the undergraduate level almost one-third of the newly promoted executives would recommend either Engineering or Business Administration as the major field of study in preparation for a career in management. Engineering continues to be recommended highly, a trend consistent for the past few years. A slight increase occurred in executives recommending the Humanities, from 22.1 percent last year to 24.5 percent for the current study. Over the past years the increase has been from 19.0 percent in 1980-81 to the current 24.5 percent, suggesting a slow but perceptible change.

At the graduate level, the newly promoted executives overwhelmingly recommended Business Administration. The combined field of Science and Mathematics was a distant second. None of the executives recommended any other fields for graduate study.

| *Undergraduate Study* | *Percentage Recommending* | *Graduate Study* | *Percentage Recommending* |
|---|---|---|---|
| Engineering | 32.0 | Business Administration | 66.5 |
| Business Administration | 28.1 | Science and Mathematics | 33.5 |
| Humanities and Liberal Arts | 24.5 | | 100% |
| Social Sciences | 9.8 | | |
| Science and Mathematics | 4.5 | | |
| Behavioral Science | 0.4 | | |
| Prelaw | 0.1 | | |
| Other | 0.5 | | |
| | 100% | | |

**20. Assuming the study of business administration best prepares a young person for a career in general management, how important are the following courses as part of the preparation?**

In preparation for a career in general management, the highest overall ranking is given to Business Communication, followed by Finance, Accounting, and Computer/Information Systems. The ordering of these first four courses continues to follow the trend established in early years. In addition, Business Policy continues to be very important as a course in preparing a young person for a career in business.

Courses in Business Economics, Business Law, Personnel/Industrial Relations and Production/Operations were rated as of intermediate importance. International Business, Advertising, and Statistics were rated somewhat lower than the other courses.

| *Courses* | *Mean* | *Very Important* 1 | 2 | 3 | 4 | *Very Unimportant* 5 |
|---|---|---|---|---|---|---|
| Business Communication (oral and written) | 1.28 | 79.1 | 15.4 | 5.0 | 0.2 | 0.4 |
| Finance | 1.48 | 58.2 | 36.3 | 5.0 | 0.3 | 0.2 |
| Accounting | 1.56 | 55.4 | 35.5 | 7.9 | 1.4 | 0.3 |
| Computer/Information Systems | 1.64 | 46.9 | 43.6 | 8.6 | 0.8 | 0.1 |
| Business Policy | 1.79 | 40.7 | 42.7 | 13.7 | 2.3 | 0.6 |
| Marketing | 1.80 | 40.5 | 42.8 | 13.6 | 2.6 | 0.5 |
| Business Economics and Public Policy | 1.93 | 32.6 | 47.5 | 15.4 | 4.1 | 0.5 |
| Business Law | 2.08 | 23.9 | 49.7 | 22.5 | 3.1 | 0.9 |
| Personnel/Industrial Relations | 2.42 | 20.7 | 44.8 | 25.3 | 7.9 | 1.3 |
| Production/Operations | 2.29 | 18.7 | 42.8 | 30.8 | 6.4 | 1.3 |
| International Business | 2.56 | 9.5 | 39.2 | 39.1 | 10.5 | 1.1 |
| Advertising/Sales Promotion | 2.51 | 11.1 | 41.8 | 34.5 | 10.1 | 2.4 |
| Statistics | 2.61 | 9.8 | 37.7 | 35.7 | 14.3 | 2.4 |

## 21. Age and retirement

The age of the newly promoted executives appears not to have changed significantly in recent years. The median age for our ten-year study was 47.1 years; it is 46.4 for the current year, hardly a significant change.

On the whole, the executives appear to be approximately the same age as last year. That is, the mean age of the Chairmen decreased slightly from 54.4 to 51.9; that of the Presidents increased from 47.6 to 48.1; and that of the Vice-Presidents decreased from 46.4 to 45.5. Few major changes have occurred in any category.

| *Age in Years* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| Mean | 46.7 | 51.9 | 48.1 | 45.5 |
| Median | 46.4 | 53.5 | 48.1 | 45 |
| Mode | 42 | 58 | 48 | 40 |

Most executives plan to retire at age 65 (the mode), with the mean at 61.6. If one accepts unquestioningly the figures of the respondents, the age range for retirement lies between 40 and 90.

A full 36.6 percent of the executives have not made a decision as to their age for retirement.

| *Age at Retirement* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| Mean | 61.6 | 63.1 | 61.8 | 61.4 |
| Median | 62.1 | 64.6 | 62.1 | 62 |
| Mode | 65 | 65 | 65 | 65 |

## 22. Sex

The overwhelming majority of newly promoted executives are male. These results are disconcerting because last year we noted the trend toward rising participation of women. This year's study includes no women promoted to the Chairman position. However, there were women promoted to Presidential and Vice-Presidential jobs, and this year sees the largest percentage of women promoted to Vice-Presidential positions over the entire span of years we have been collecting data.

| *Sex* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| Male | 96.9 | 100 | 99.6 | 95.3 |
| Female | 3.1 | — | .4 | 4.7 |
| | 100% | 100% | 100% | 100% |

## 23. State or country of birth

Of those executives who responded to this question, two-thirds were either from the East or the Midwest, 36.9 percent and 29.7 percent respectively. Those from the West totaled 7.4 percent; the Southeast 7.6 percent; and the Southwest 3.8 percent. Most often mentioned foreign countries included Great Britain (1.6 percent); Canada (0.9 percent); and Germany (0.5).

| *Ten Major States Where Born* | *Percentage* |
|---|---|
| New York | 14.8 |
| Illinois | 8.0 |
| Pennsylvania | 7.9 |
| New Jersey | 5.9 |
| Ohio | 5.9 |
| Massachusetts | 5.3 |
| Michigan | 4.3 |
| California | 4.1 |
| Texas | 3.1 |
| Missouri | 2.9 |

## 24. Order of birth

Among the newly promoted executives, 87.9 percent had brothers and sisters. Over 40 percent of the executives were the first child, and among the Presidents and Vice-Presidents approximately four out of ten were the first born.

| *Order of Birth* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| Only child | 12.1 | 13.8 | 8.9 | 13.2 |
| First child | 41.4 | 35.4 | 43.6 | 40.9 |
| Middle child | 22.5 | 24.6 | 22.3 | 22.3 |
| Last child | 23.9 | 26.2 | 25.2 | 23.6 |
| | 100% | 100% | 100% | 100% |

## 25. Income level of the parental home

Taken as a whole, newly promoted executives predominantly come from middle income homes (57.6 percent), followed by lower (31.8 percent) and upper (10.6 percent) income homes. As a generalization, one could say that nearly a third of newly promoted executives came from relatively humble beginnings.

| *Income Level of Home* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| Upper income | 10.6 | 10.9 | 11.3 | 10.2 |
| Middle income | 57.6 | 51.6 | 57.2 | 58.7 |
| Lower income | 31.8 | 37.5 | 31.4 | 31.1 |
| | 100% | 100% | 100% | 100% |

## 26. Parents' single predominant occupation

What were the predominant occupations of the parents during the executives' childhoods? Over 80 percent of the executives' mothers were homemakers, while slightly over 6.0 percent were employed in office and clerical type positions and 5.4 percent were professionals. For the fathers, 31.5 percent worked as officials or managers, 18.5 percent were professionals and 10.4 percent were sales personnel. That is, over two-thirds of the executives came from homes in which their fathers held traditional managerial, professional, or white collar type jobs. In contrast, over 22 percent of executives' fathers were employed in traditional blue collar occupations (skilled crafts 11.4 percent, operatives 3.1 percent, and laborers 8.1 percent). Only 3.8 percent of the executives' fathers were farmers.

Upon closer examination of the table it can be observed that regardless of executive level the executives' mothers were predominantly homemakers. However, as one descends the executive hierarchy one can note several shifts beginning to appear. The mothers of Presidents and Vice-Presidents were employed outside the home in a broad range of different occupations. Perhaps these data are indicative of the early movement of women into permanent positions in the labor force.

For the fathers of those newly promoted executives, shifts in the occupational mix are apparent, too. Approximately one third of the fathers were officials or managers; however, there is a slight increase in the percentage of fathers who were professionals as one descends the executive hierarchy (Chairmen 14.8 percent, Vice-Presidents 18.1 percent, Presidents 20 percent). The percentage of fathers who were skilled craftsmen also slightly increases as one goes from Chairmen (8.2 percent) through Vice-Presidents (11.6 percent) to Presidents (12.7 percent). These findings will be especially interesting to follow through the coming years because of the changing nature of employment reported to be occurring in the United States as a result of the shift of employment from heavy manufacturing to a service-oriented economy.

| Predominant Occupation | Total | | Chairmen | | Presidents | | Vice-Presidents | |
|---|---|---|---|---|---|---|---|---|
| | Mother | Father | Mother | Father | Mother | Father | Mother | Father |
| Homemaker | 80.5 | — | 83.1 | — | 80.9 | — | 79.9 | — |
| Officials and Managers | 1.2 | 31.5 | 3.1 | 29.5 | 1.1 | 31.6 | 1.0 | 32.0 |
| Professional | 5.4 | 18.5 | 3.1 | 14.8 | 3.6 | 20.0 | 6.5 | 18.1 |
| Technician | 0.4 | 3.4 | 1.5 | 11.5 | 1.1 | 2.9 | — | 3.0 |
| Sales | 0.8 | 10.4 | — | 11.5 | — | 9.5 | 1.1 | 10.6 |
| Office and clerical | 6.2 | 4.1 | 6.2 | 3.3 | 7.2 | 3.6 | 5.9 | 4.3 |
| Skilled crafts | 0.7 | 11.4 | — | 8.2 | — | 12.7 | 1.1 | 11.6 |
| Operative | 0.6 | 3.1 | — | 3.3 | 1.1 | 2.9 | 0.4 | 3.0 |
| Laborer | 0.9 | 6.1 | — | 6.6 | 1.4 | 6.2 | 0.8 | 8.8 |
| Service worker | 2.6 | 4.1 | 3.1 | 4.9 | 2.9 | 4.7 | 2.5 | 3.6 |
| Farmer | 0.5 | 3.8 | — | 4.9 | 0.7 | 4.7 | 0.4 | 3.4 |
| Other | 0.2 | 0.9 | — | 1.6 | — | 1.1 | 0.2 | 1.7 |
| | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |

## 27. Religion

More than half of the executives are Protestant; slightly over a quarter are Catholic; then those of the Jewish faith are followed by none and the category "other."

| *Category* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| Protestant | 53.9 | 63.6 | 56.3 | 52.7 |
| Catholic | 28.3 | 18.2 | 27.8 | 29.2 |
| Jewish | 7.9 | 10.6 | 6.3 | 7.9 |
| None | 7.4 | 7.6 | 6.7 | 7.6 |
| Other | 2.5 | — | 2.8 | 2.5 |
| | 100% | 100% | 100% | 100% |

## 28. Racial/ethnic background

The top level positions within American corporations continue to be the province of the white American. Over 98 percent of the executives promoted to positions of Chairmen, Presidents, and Vice-Presidents are white, while only a few are black, Hispanic, or Asian.

| *Racial Background* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| White | 98.5 | 100 | 99.3 | 98.1 |
| Black | 0.8 | — | 0.4 | 1.1 |
| Hispanic | 0.2 | — | 0.4 | 0.3 |
| Oriental | 0.3 | — | 0.4 | 0.3 |
| Other | 0.2 | — | — | 0.3 |
| | 100% | 100% | 100% | 100% |

## 29. Marital status

A phenomenal — by today's statistics — 78.1 percent of the executives are married to their first spouse; that high range appears in all our executive categories. More Chairmen are in their second marriage (15.4 percent) than Presidents (14.0 percent) or Vice-Presidents (13.4 percent). No Chairman lives with someone to whom he is not married, and only a few Presidents and Vice-Presidents fall into that category. Executives continue an earlier trend: they are married, with only a few divorced or separated.

| *Marital Status* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| Never married | 2.0 | — | 0.7 | 2.8 |
| 1st marriage | 78.1 | 81.5 | 80.7 | 76.4 |
| Live with someone but not married | 0.6 | — | 0.7 | 0.7 |
| Separated | 1.0 | 1.5 | 0.7 | 1.1 |
| 2nd marriage | 13.6 | 15.4 | 14.0 | 13.4 |
| Divorced | 3.3 | 1.5 | 1.8 | 4.2 |
| 3rd marriage | 0.7 | — | 0.7 | 0.7 |
| Widowed | 0.6 | — | 0.7 | 0.7 |
| | 100% | 100% | 100% | 100% |

## 30. Employment status of spouse

Employment of one's spouse tends to be related to executive level. This finding holds whether a spouse is employed part time or full time. Stated in other terms, 82.5 percent of the Chairmen's spouses, 77.7 percent of Presidents', and 68.4 percent of the Vice-Presidents' are not employed. Here again these data may reflect changing mores about the legitimacy of employment for the spouses of high level executives. Or perhaps it reflects the organizational demands placed upon executives' spouses as they advance up the executive hierarchy. These comments apply to the male portion of the sample as well. It is assumed that within the American society, the spouses of the female executives are working. To date, nothing would disprove that assumption.

| *Employment Status of Spouse* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| Full time | 13.8 | 12.7 | 9.5 | 15.8 |
| Part time | 14.0 | 4.8 | 12.8 | 15.8 |
| Not employed | 72.2 | 82.5 | 77.7 | 68.4 |
| | 100% | 100% | 100% | 100% |

## 31. Classification of spouse's occupation

The number of employed spouses decreases the higher executives rise in an organization. Thus only 8 spouses of 63 Chairmen are employed full time (12.7 percent); 26 spouses of 273 Presidents are employed full time (9.5 percent); and 104 spouses of 659 Vice-Presidents are employed full time (15.8 percent). In top executive ranks, fewer spouses work than is the national norm; those who do work are strongly represented in professional occupations.

| *Occupation of Spouse* | *Total* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|
| Professional | 47.2 | 56.3 | 45.7 |
| Office/clerical | 13.5 | 9.4 | 14.3 |
| Managerial | 12.8 | 7.8 | 14.3 |
| Sales | 9.7 | 9.4 | 10.0 |
| Sole proprietor | 8.0 | 9.4 | 7.1 |
| Technical | 6.6 | 7.8 | 5.7 |
| Other | 2.1 | — | 2.9 |
| | 100% | 100% | 100% |

## 32. Importance of spouse's contribution

Newly promoted executives consider their spouses to be of utmost importance, both in maintaining a satisfying and well-run home and in offering emotional support. In this respect, the spouse is perceived to minister to the executive's personal needs, as well as in other ways not directly work-related. Participating in official company-related activities or

| | Mean | *Extremely Important (1)* | *Very Important (2)* | *Somewhat Important (3)* | *Little Importance (4)* | *No Importance (5)* |
|---|---|---|---|---|---|---|
| Maintaining satisfying and well-run home | 1.54 | 61.6% | 27.2% | 8.0% | 2.1% | 1.1% |
| Offering emotional support | 1.65 | 55.6 | 30.0 | 9.5 | 3.3 | 1.6 |
| Participating in official company activities | 2.98 | 9.2 | 24.5 | 35.3 | 21.3 | 9.7 |
| Acting as host/hostess | 3.01 | 9.8 | 22.3 | 36.9 | 19.2 | 11.8 |
| Providing advice on business matters | 3.68 | 3.6 | 10.6 | 28.2 | 29.4 | 28.2 |
| Engaging in community activities | 3.65 | 2.8 | 12.2 | 30.8 | 25.1 | 29.0 |
| Providing additional financial income | 4.41 | 1.0 | 4.0 | 10.1 | 23.1 | 61.8 |
| Providing clerical or miscellaneous assistance to job | 4.65 | 0.2 | 1.3 | 6.9 | 16.7 | 74.8 |

acting as a host or hostess are viewed to be at best somewhat important. Finally, providing additional financial support or clinical assistance is viewed to be of little importance.

The conclusion to be drawn is that the newly promoted executives, considered as a group, view their spouses to have contributed significantly to their success in business, and these contributions have been very personal and not work-related.

### 33. Serious problems in economy today and in three years

The executives rank an Unbalanced Budget as the major economic issue for today (80.9 percent) as compared with executives of last year (64.4 percent). Low Productivity continues to be a concern (50.6 percent) as do High Interest Rates (48.5 percent); Global Competition (46.2 percent); and Government Intervention (39.9 percent). Less emphasis is given to issues as Unemployment; Inflation; Consumer Confidence; Other issues; and Employee Unrest.

Issues most frequently mentioned under the category "other" include Excessive Government Spending and Quality Control.

High Interest Rates are predicted as the dominant concern three years from now (45.6 percent), followed by Low Productivity (44.5 percent); Global Competition (44.2 percent); Unbalanced Budget (43.6 percent); Inflation (41.4 percent); and Government Intervention (38.8 percent). Then less emphasis is placed on Unemployment; Employee Unrest; Consumer Confidence, and other concerns.

| *Serious Problems in Economy Today* | *Percentage of Respondents Listing Issues as 1 of 3 Major Concerns* |
|---|---|
| Unbalanced Budget | 80.9 |
| Low Productivity | 50.6 |
| High Interest Rates | 48.5 |
| Global Competition | 46.2 |
| Government Intervention | 39.9 |
| Unemployment | 14.5 |
| Inflation | 12.9 |
| Consumer Confidence | 7.8 |
| Other | 7.8 |
| Employee Unrest | 4.8 |

| *Serious Problems in Economy 3 Years From Now* | *Percentage of Respondents Listing Issues as 1 of 3 Major Concerns* |
|---|---|
| High Interest Rate | 45.6 |
| Low Productivity | 44.5 |
| Global Competition | 44.2 |
| Unbalanced Budget | 43.6 |
| Inflation | 41.4 |
| Government Intervention | 38.8 |
| Unemployment | 13.6 |
| Employee Unrest | 9.9 |
| Consumer Confidence | 7.3 |
| Other | 7.0 |

# Appendix

These data will be kept anonymous —

Please return in enclosed envelope

# THE NEWLY PROMOTED EXECUTIVE

## A Study in Corporate Leadership

**Career Pattern**

1. Position to which you have just been appointed:

1:9-10

Chairman 01 ( ) & Chief Executive Officer
02 ( ) not Chief Executive Officer

Chairman & President 03 ( )

Vice Chairman 04 ( )

1:11-12

President 05 ( ) & Chief Executive Officer
06 ( ) not Chief Executive Officer
07 ( ) of a subsidiary, division or group

08 ( ) Executive Vice President
09 ( ) Group Vice President
10 ( ) Senior Vice President
11 ( ) Vice President _____

_____
(full title)

2. Industry in which your company primarily operates (check one):

1:13-14
1:15-16
1:17-18

**Non-manufacturing**

01 ( ) advertising, public relations
02 ( ) agriculture, forestry, fisheries
03 ( ) banking
04 ( ) communications
05 ( ) construction
06 ( ) computer or info. systems
07 ( ) entertainment, leisure
08 ( ) finance/credit
09 ( ) insurance
10 ( ) investment bkg & securities
11 ( ) mining
12 ( ) professional services
13 ( ) public utilities
14 ( ) real estate, land development
15 ( ) retail trade
16 ( ) transportation, all kinds
17 ( ) wholesale trade
18 ( ) other _____
(write in)

**Manufacturing**

19 ( ) aerospace
20 ( ) apparel
21 ( ) automotive
22 ( ) building products
23 ( ) chemicals
24 ( ) computer or office technology
25 ( ) electrical machinery
26 ( ) electronics and electrical prods.
27 ( ) fabricated metals
28 ( ) food
29 ( ) non-electrical machinery
30 ( ) packaging
31 ( ) paper
32 ( ) petroleum
33 ( ) pharmaceuticals
34 ( ) plastic & rubber
35 ( ) primary metals
36 ( ) printing, publishing
37 ( ) textiles
38 ( ) transportation equipment
39 ( ) other _____
(write in)

3. Approximate annual gross operating revenue:

1:19

1 ( ) under $10 Mil.
2 ( ) $10 to 49 "
3 ( ) $50 to 99 "
4 ( ) $100 to 249 Mil.
5 ( ) $250 to 499 "
6 ( ) $500 to 999 "
7 ( ) $1 to 2 Bil.
8 ( ) $2 to 10 "
9 ( ) Over $10 "

1:20-26 4. What was your annual base salary prior to this promotion? $_____

1:27-33 5. What is your current annual base salary? $_____

6. Please indicate which of the following perquisites are available with your job:

1:34-44
1:45-46

1 ( ) cash bonus
1 ( ) stock options
1 ( ) stock purchase plan
1 ( ) deferred compensation plan
1 ( ) low cost loans
1 ( ) financial planning
1 ( ) retirement annuity
1 ( ) employment contract
1 ( ) company leased automobile
1 ( ) club memberships
1 ( ) other (please specify)

_____
_____

7. How long have you been with your present employer?

1:47

1 ( ) Less than 1 year
2 ( ) 1-2 years
3 ( ) 3-5 years
4 ( ) 6-10 years
5 ( ) 11-15 years
6 ( ) 16-20 years
7 ( ) 21-25 years
8 ( ) 26-30 years
9 ( ) Over 30 years

**RESEARCH PROGRAM ON THE NEWLY PROMOTED EXECUTIVE**
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8. Were you

1 ( ) promoted from within company (or subsidiaries)?
1:48 2 ( ) recently hired away from another organization?
3 ( ) an employee of an organization recently acquired by your company?

9. How long were you in your previous position?

| | | | | | |
|---|---|---|---|---|---|
| 1:49 | 1 ( ) Less than 1 year | 4 ( ) 3 years | 7 ( ) 6-9 years |
| | 2 ( ) 1 year | 5 ( ) 4 years | 8 ( ) 10-15 years |
| | 3 ( ) 2 years | 6 ( ) 5 years | 9 ( ) Over 15 years |

10. Please check the 3 most important considerations in your decision to change positions:

| | | |
|---|---|---|
| 1:50-60 | 1 ( ) Monetary considerations | 1 ( ) Importance of job itself |
| | 1 ( ) Family considerations | 1 ( ) Future opportunity for advancement |
| | 1 ( ) The normal career advancement pattern | 1 ( ) Personal working relationships |
| | | 1 ( ) Anticipated success |
| | 1 ( ) Prestige & recognition | 1 ( ) Preferable type of work |
| 1:61-62 | 1 ( ) Personal challenge | 1 ( ) _____ |

1:63-64 11. How many other companies did you work for prior to your present company? _____

1:65-67 12. Have you worked outside of the USA? 1 ( ) Yes 2 ( ) No If so, for how many years? _____

13. In which major area of responsibility (check appropriate box)

| | Production/Operations | Marketing/Sales | Finance/Accounting/Taxes | Personnel/Indust. Relations | Research & Development | Law | General Mgt./Admin. | Computer/Info. Systems | Other — please specify |
|---|---|---|---|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| 1:68 — was your first permanent job in business? | | | | | | | | | |
| 1:69 — is your current job? | | | | | | | | | |
| 1:70 — was your last job? | | | | | | | | | |
| 1:71 — was your second to last job? | | | | | | | | | |
| 1:72 — was your third to last job? | | | | | | | | | |
| 1:73 — have you spent the most time? | | | | | | | | | |
| 1:74-75 Years spent (_____) | | | | | | | | | |
| 1:76 — is upward progress fastest? | | | | | | | | | |
| 1:77 — would you concentrate if starting over? | | | | | | | | | |
| 2:9-20 | | | | | | | | | |

2:21 14. Are you now a director of your company? 1 ( ) Yes 2 ( ) No

2:22-23 15. Please indicate the number of outside corporate directorships you currently hold _____

2:24-25 16. Please indicate the number of non-profit organization directorships you currrently hold _____

17. At your level in the organization, is it considered important that you will:

| | Very Important 1 | Somewhat Important 2 | Neutral 3 | Somewhat Unimportant 4 | Very Unimportant 5 |
|---|---|---|---|---|---|
| 2:26 Participate in external political activity? | ___ | ___ | ___ | ___ | ___ |
| 2:27 Encourage a mentoring process? | ___ | ___ | ___ | ___ | ___ |
| Work (check one) ___ 40 ___ 50 ___ 60 | | | | | |
| 2:28-30 ___ over 70 hrs/wk | ___ | ___ | ___ | ___ | ___ |
| 2:31 Attend external management education programs? | ___ | ___ | ___ | ___ | ___ |

2:32-33 Topics: _____

2:34-35 _____

2:36-37 Others: _____

2:38-39 _____

**Education**

18. Education:

2:49
1 ( ) Less than a high school graduate
2 ( ) High school graduate
3 ( ) Some college, no degree
4 ( ) Received undergraduate degree

2:50-57 _____ (degree and major) at _____ (college)

2:58 1 ( ) Received advanced degree(s) in:

2:59-66 _____ (degree and major) at _____ (college)

2:67-74 _____ (degree and major) at _____ (college)

19. For the student who plans to follow an undergraduate degree with graduate/professional study, what would you recommend for an undergraduate major and for graduate work as the best preparation for a management career?

| | **Undergraduate Major** | **Graduate/Professional Study** |
|---|---|---|
| 2:75-76 | | |
| 2:77-78 | _____ | _____ |

20. Assuming the study of business administration best prepares a young person for a career in general management, how important are the following courses as a part of that preparation:

| | | Very Important 1 | Somewhat Important 2 | Neutral 3 | Somewhat Unimportant 4 | Very Unimportant 5 |
|---|---|---|---|---|---|---|
| 3:9 | Accounting | ___ | ___ | ___ | ___ | ___ |
| 3:10 | Advertising/Sales Promotion | ___ | ___ | ___ | ___ | ___ |
| 3:11 | Computer/Information Systems | ___ | ___ | ___ | ___ | ___ |
| 3:12 | Business Economics & Public Policy | ___ | ___ | ___ | ___ | ___ |
| 3:13 | Business Law/Legal Environment | ___ | ___ | ___ | ___ | ___ |
| 3:14 | Business Communication: Oral & Written | ___ | ___ | ___ | ___ | ___ |
| 3:15 | Business Policy/Planning | ___ | ___ | ___ | ___ | ___ |
| 3:16 | Finance | ___ | ___ | ___ | ___ | ___ |
| 3:17 | International Business | ___ | ___ | ___ | ___ | ___ |
| 3:18 | Marketing | ___ | ___ | ___ | ___ | ___ |
| 3:19 | Personnel/Industrial Relations | ___ | ___ | ___ | ___ | ___ |
| 3:20 | Production/Operations | ___ | ___ | ___ | ___ | ___ |
| 3:21 | Statistics | ___ | ___ | ___ | ___ | ___ |
| 3:22-24 | Others: _____ | ___ | ___ | ___ | ___ | ___ |
| 3:25-27 | _____ | ___ | ___ | ___ | ___ | ___ |

**Personal**

3:28-31 21. Your age: _____ At what age do you plan to retire? _____ Don't know? _____ 1
3:32

3:33 22. Sex: 1 ( ) Male 2 ( ) Female

3:34-36 23. State; or if foreign born, country of birth? _____

3:37 24. Were you an 1 ( ) only child 2 ( ) first child 3 ( ) middle child 4 ( ) last child

25. Indicate the income level of the home from which you came.

3:38 1 ( ) Upper Income 2 ( ) Middle Income 3 ( ) Lower Income

26. What was your parents' single predominant occupation during your childhood? (Check only one occupation for each parent)

| | | Mother 1 | Father 2 | | Mother 1 | Father 2 |
|---|---|---|---|---|---|---|
| 3:39-41 | 01 Homemaker | ___ | ___ | 07 Skilled crafts | ___ | ___ |
| 3:42-44 | 02 Officials and managers | ___ | ___ | 08 Operative | ___ | ___ |
| | 03 Professional | ___ | ___ | 09 Laborer | ___ | ___ |
| | 04 Technician | ___ | ___ | 10 Service worker | ___ | ___ |
| | 05 Sales | ___ | ___ | 11 Farmer | ___ | ___ |
| | 06 Office and clerical | ___ | ___ | 12 Other_____ | ___ | ___ |

27. Your religion:

3:45
1 ( ) Catholic 3 ( ) Jewish 5 ( ) Other: _____
2 ( ) Protestant 4 ( ) None

28. Racial/Ethnic background:

3:46
1 ( ) White 3 ( ) Hispanic 5 ( ) Other: _____
2 ( ) Black 4 ( ) Oriental

29. Current marital status:

1 ( ) Never married 4 ( ) Separated 6 ( ) Divorced 8 ( ) Widow(er)
3:47 2 ( ) 1st marriage 5 ( ) 2nd marriage 7 ( ) 3rd or more marriage
3 ( ) Living with someone but not married

30. If you are currently married is your spouse employed:

1 ( ) Full time
3:48 2 ( ) Part time
3 ( ) Not employed

31. If your spouse is currently employed, how would you classify her/his occupation?

1 ( ) Professional 5 ( ) Office/clerical
3:49 2 ( ) Technical 6 ( ) Sales
3 ( ) Managerial 7 ( ) Other (specify)
3:50-52 4 ( ) Sole proprietor _____

32. If you are currently married, please indicate how important each of the following contributions of your spouse has been to your success in business:

| | | Extremely Important 1 | Very Important 2 | Somewhat Important 3 | Little Importance 4 | No Importance 5 |
|---|---|---|---|---|---|---|
| 3:53 | Providing additional financial income | ___ | ___ | ___ | ___ | ___ |
| 3:54 | Participating in official company related activities | ___ | ___ | ___ | ___ | ___ |
| 3:55 | Providing clerical or miscellaneous assistance to your job | ___ | ___ | ___ | ___ | ___ |
| 3:56 | Engaging in community related activities | ___ | ___ | ___ | ___ | ___ |
| 3:57 | Acting as a host/hostess | ___ | ___ | ___ | ___ | ___ |
| 3:58 | Providing advice on business related matters | ___ | ___ | ___ | ___ | ___ |
| 3:59 | Offering emotional support | ___ | ___ | ___ | ___ | ___ |
| 3:60 | Maintaining a satisfying and well run home | ___ | ___ | ___ | ___ | ___ |

33. Please check the three most serious problems you feel present in our economy today and your estimate as to problems 3 years from now

| | Today | | 3 years from now | |
|---|---|---|---|---|
| 4:9-14 | 01 ___ | Employee unrest | 01 ___ | |
| | 02 ___ | Inflation | 02 ___ | |
| | 03 ___ | Unbalanced budget | 03 ___ | |
| | 04 ___ | Low productivity | 04 ___ | |
| | 05 ___ | High interest rates | 05 ___ | |
| 4:15-20 | 06 ___ | Government intervention | 06 ___ | |
| | 07 ___ | Global competition | 07 ___ | |
| | 08 ___ | Consumer confidence | 08 ___ | |
| | 09 ___ | Unemployment | 09 ___ | |
| 4:21-23 | 10 ___ | Other: _____ | 10 ___ | |
| 4:24-26 | | | | |

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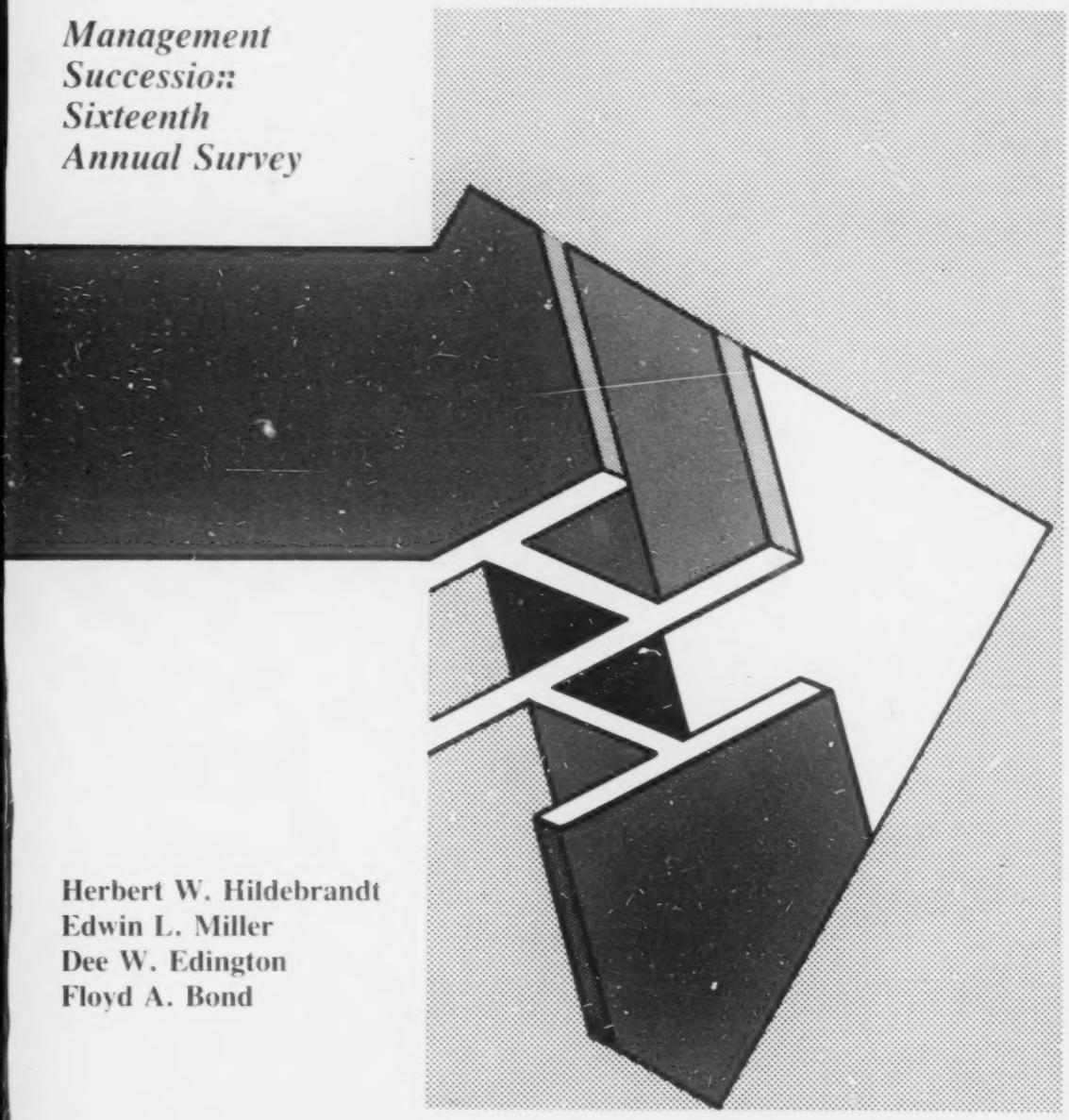
1985-86

# THE NEWLY PROMOTED EXECUTIVE

## A Study in Corporate Leadership

*Management Succession: Sixteenth Annual Survey*



Herbert W. Hildebrandt
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*A publication of the Division of Research*
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*ISBN 0-87712-255-5*

# Introduction

The following study is the sixteenth annual survey of business executives promoted to the position of Chairman of the Board, President, or Vice-President of leading American corporations during the fiscal year 1985-86.

This report is based on a series of core questions for longitudinal analysis plus an entirely new section devoted to a study of executive lifestyles, an area receiving considerably more emphasis than when we began the study fifteen years ago. Some previous questions have been omitted — those which contributed little to the content of the study.

A summary of the first decade appeared in the 1980 September-October issue of *The Harvard Business Review*. Other articles based on recent data also appeared in *The Journal of Business Communication; The Journal of Communication Management; Public Utility Fortnightly; Directors and Boards; The Executive* (Hong Kong); *The Asian Wall Street Journal; The American Business Law Journal;* and in many papers of professional organizations.

Our return rate continues to be high, just under 40 percent for this year, representing 818 completed questionnaires. A second mailing was not possible inasmuch as we had promised anonymity and had no way of identifying which executives had returned their questionnaires. Data were collected on a timely basis from primarily large companies in diversified industries.

While the authors are responsible for the questionnaire, they continue to invite suggestions from readers as to the kind of information which would prove helpful. Over the years, comments on the questionnaires themselves have given useful ideas.

The study is limited to discussion of three positions: Chairman of the Board, President, and Vice-President. Other respondents have been omitted from the study. Each section of the monograph provides aggregate data for the three executive groups corresponding to the order of questions in the questionnaire.

In-depth analyses continue to be undertaken as the size of the study group increases. Over the last six years we had responses from 6,396 executives, now giving us a current data base of 7,214.

A major objective in releasing this publication is timeliness. We hope the findings which follow will be informative and interesting, and particularly useful to business executives and academic scholars.

## THE NEWLY PROMOTED EXECUTIVE

### *Career Pattern*

### 1. Positions to which appointed

Of the 818 executives promoted during the fiscal year, 58 became Board Chairmen, 17 became Vice-Chairmen, 232 became corporation Presidents, and 511 were promoted to Vice-Presidencies. Of the 307 Chairmen and Presidents, 131 were appointed Chief Executive Officers as well. Of the 511 Vice-Presidents, 109 were appointed Executive Vice-Presidents. Other Vice-Presidents reported their major responsibility, listed in order of frequency, as Corporate Planning, Operations or Divisional Management, Marketing, Controller, Personnel/Human Resources, and Computer and Information Systems.

| *Position* | *Percentage* |
|---|---|
| Chairman and Chief Executive Officer | 5.6 |
| Chairman, not Chief Executive Officer | 0.5 |
| Chairman and President | 1.0 |
| Vice-Chairman | 2.1 |
| President and Chief Executive Officer | 10.4 |
| President, not Chief Executive Officer | 10.9 |
| President of subsidiary, division, or group | 7.1 |
| Executive Vice-President | 13.3 |
| Group Vice-President | 3.3 |
| Senior Vice-President | 13.9 |
| Vice-President | 31.9 |
| | 100%* |

*Rounding will sometimes result in percentages greater or less than 100%.

### 2. Industries represented

Great diversity continues to be a major characteristic within the industrial classification of companies employing this year's sample of newly promoted executives. Over fifty different industries are represented, including both nonmanufacturing and manufacturing companies.

A useful way to view the breadth of the industries represented in this study is to classify them according to major business categories. Of course the relative frequency of executive promotions is not the same for all the industries in any one year; however, an examination of the data over the last several years indicates that executive promotions by industrial category remain in the same relative order on a year-by-year basis. It is precisely the executives who are promoted — their characteristics, background experience, and attitudes — who are the subjects of this study. The relative frequency of promotion by major business categories follows:

| *Business Group* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| Durable Goods Manufacturing | 26.8 | 13.5 | 27.3 | 28.4 |
| Nondurable Goods Manufacturing | 17.4 | 11.5 | 18.2 | 17.9 |
| Other Industries | 12.1 | 15.4 | 12.9 | 11.2 |
| Regulated Industries | 15.9 | 21.2 | 10.5 | 17.5 |
| Finance, Insurance, Real Estate | 15.1 | 25.0 | 16.3 | 13.6 |
| Business Services | 5.2 | 1.9 | 7.7 | 4.4 |
| Retail and Wholesale Trade | 7.4 | 11.5 | 7.2 | 7.0 |
| | 100% | 100% | 100% | 100% |

### 3. Company size as measured by annual gross operating revenue

Just over 50 percent (53.6 percent) of the companies have an annual gross operating revenue of more than $1 billion. Over one-third exceed $2 billion annually, and nearly 9 percent exceed $10 billion a year. Only 11.3 percent have an annual revenue of less than $100 million. It is therefore clear that the study group is more representative of the executive leadership of large corporations than of small, a characteristic paralleled in our previous studies. To a major extent this underrepresentation of small corporations may be attributed to the fact that smaller businesses are less likely to announce promotions in national business publications.

Promotions to Board Chairman and President do, of course, tend to occur more frequently in the hundreds of smaller companies than the above figures would suggest. Over two-thirds of the promotions to Vice-President occurred in companies with an annual gross operating revenue

between $2 and $10 billion, a pattern of increase followed in the past three years of the study.

These differences should be kept in mind when analyzing the data which follow.

| *Gross Operating Revenue* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| Under $100 million | 11.3 | 30.9 | 25.1 | 2.6 |
| $100 million to less than $500 million | 20.9 | 21.8 | 40.6 | 12.4 |
| $500 million to less than $1 billion | 14.1 | 14.5 | 12.3 | 14.6 |
| $1 billion to less than $2 billion | 15.0 | 14.5 | 9.3 | 17.7 |
| $2 billion to less than $10 billion | 29.8 | 14.5 | 10.1 | 40.2 |
| Over $10 billion | 8.8 | 3.6 | 2.6 | 12.4 |
| | 100% | 100% | 100% | 100% |

**4. Annual base salary prior to promotion**

**5. Annual base salary after promotion**

Salaries continue to increase in all executive categories, with the largest percentage increases occurring in the presidential ranks, a trend which has been consistent over the past three years using either the mean salary increase or the median. For instance, over the past three years the CEO's mean salary has increased 14.2 percent and Vice-Presidents' 27.4 percent; contrastingly, the percentage salary increase for Presidents during that time increased by a phenomenal 65.8 percent.

Translating the above three-year percentages into dollar figures for CEO's, Presidents, and Vice-Presidents meant increases of $33,050; $105,333; and $33,112.

By any measure, top-level executive salaries continued to rise for this current fiscal year with mean percentage increases of 10.9 percent; 20.0 percent; and 17.4 percent for CEOs, Presidents, and Vice-Presidents.

| Median Salary | Total | Chairmen | Presidents | Vice-Presidents |
|---|---|---|---|---|
| Before promotion | $120,000 | $226,250 | $135,300 | $106,500 |
| After promotion | 145,000 | 245,000 | 170,000 | 125,000 |
| Dollar increase | 25,000 | 18,750 | 34,700 | 18,500 |
| Percentage increase | 20.8 | 8.2 | 25.6 | 17.3 |

| Mean Salary | Total | Chairmen | Presidents | Vice-Presidents |
|---|---|---|---|---|
| Before promotion | $149,068 | $239,071 | $160,983 | $130,824 |
| After promotion | 174,632 | 265,290 | 193,196 | 153,711 |
| Dollar increase | 25,564 | 26,219 | 32,213 | 22,887 |
| Percentage increase | 17.1 | 10.9 | 20.0 | 17.4 |

## 6. Perquisites available with the job

Promotion brought with it a variety of financial as well as nonfinancial rewards. Consistently, across our three executive categories, the cash bonus was the foremost financial perquisite. Stock options were ranked second by each of the groups of executives and company leased cars were ranked third by two of the three executive groups (Chairmen and Presidents). These findings have not differed over the last several years.

Regardless, it is striking that many incentives in all categories are available to top-level executives.

| Perquisites | Total | Chairmen | Presidents | Vice-Presidents |
|---|---|---|---|---|
| Cash bonus | 89.0 | 86.2 | 86.2 | 90.6 |
| Stock options | 81.9 | 81.0 | 83.2 | 81.6 |
| Company-leased automobile | 59.0 | 72.4 | 71.6 | 51.1 |
| Deferred compensation plan | 55.6 | 51.7 | 50.4 | 58.1 |
| Club memberships | 50.6 | 70.7 | 59.9 | 44.2 |
| Retirement annuity | 43.4 | 43.1 | 39.7 | 44.2 |
| Stock purchase plan | 39.6 | 32.8 | 34.5 | 42.9 |
| Financial planning | 37.5 | 39.7 | 26.7 | 42.3 |
| Employment contract | 18.2 | 34.5 | 25.9 | 12.9 |
| Low-cost loans | 8.8 | 6.9 | 8.2 | 9.4 |
| Other | 13.7 | 10.3 | 10.3 | 15.3 |

## 7. How long have you been with your present employer?

The median length of service with the present employer is 10.4 years, a figure quite consistent over the past three years. For Chairmen the median is 16.7 years; for Presidents 11.2 years; and for Vice-Presidents 16 years. These figures have held relatively constant over the past several years.

| *Years with Company* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| Less than 1 | 18.7 | 14.0 | 22.7 | 17.9 |
| 1-5 | 15.8 | 14.1 | 20.1 | 16.1 |
| 6-10 | 14.9 | 12.8 | 16.6 | 14.1 |
| 11-15 | 11.8 | 10.5 | 11.4 | 12.0 |
| 16-20 | 13.7 | 15.8 | 10.0 | 14.9 |
| 21-25 | 9.5 | 7.0 | 7.0 | 10.8 |
| 26-30 | 6.3 | 7.0 | 4.4 | 7.1 |
| Over 30 | 8.3 | 19.3 | 7.9 | 7.1 |
| | 100% | 100% | 100% | 100% |

## 8. Were you promoted from within the company?

Most of the newly promoted executives, regardless of position, were promoted from within. This generalization is applicable over the last five years. However, for each of the executive level categories, there were cases in which companies did hire from the outside. Merger and acquisition have become a very popular phenomenon today; however, such management actions have had little impact upon management succession. In only a limited number of cases were the executives acquired through acquisition of another company. As would be expected, Presidents and Vice-Presidents were hired from the outside more frequently than were Chairmen.

| *Method of Promotion* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| Promoted from within | 79.9 | 82.5 | 76.5 | 80.9 |
| Hired from outside | 18.1 | 15.8 | 22.2 | 17.0 |
| Acquired through acquisition | 1.9 | 1.8 | 1.3 | 1.8 |
| | 100% | 100% | 100% | 100% |

### 9. Length of time in previous position

When looking at all the executive groups, the median length of time in the previous position was 5.2 years, slightly more than last year's 4.8 years.

| *Years in Previous Position* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| Less than 1 | 9.5 | 5.3 | 12.5 | 8.5 |
| 1 to 2 | 12.3 | 3.5 | 14.2 | 12.6 |
| 2 to 3 | 21.2 | 14.0 | 22.4 | 21.5 |
| 3 to 4 | 13.5 | 19.3 | 11.6 | 13.8 |
| 4 to 5 | 10.5 | 7.0 | 7.3 | 12.3 |
| 5 to 6 | 11.5 | 14.0 | 15.5 | 9.3 |
| 6 to 9 | 10.3 | 19.3 | 7.3 | 10.7 |
| 10 to 15 | 6.7 | 10.5 | 5.2 | 6.5 |
| 15 or more | 4.6 | 7.0 | 3.9 | 4.7 |
| | 100% | 100% | 100% | 100% |

### 10. What were the three most important considerations in your decision to change positions?

As a generalization, "personal challenge" continues to be the executives' most important reason for changing positions, and the overall ordering of the various considerations is strikingly similar for all three executive groups.

For both Presidents and Vice-Presidents, "future opportunity for advancement" was of significant importance too. Approximately 25 percent of the Presidents and Vice-Presidents included "monetary considerations" as one of the five most important considerations in their decision to change positions compared with only 13.8 percent of the newly promoted Chairmen.

Finally, it appears that although the reasons for change show great similarity across the various groups of executives, there are differences between the groups. The reasons for accepting a new job were likely to have been a function of the executives' organization level and the perceived career potential of the new position.

| *Factor* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| Personal challenge | 53.1% | 39.7% | 67.2% | 48.9% |
| Importance of job | 41.3 | 34.5 | 42.2 | 41.5 |
| Normal career advancement pattern | 40.5 | 48.3 | 44.0 | 37.4 |
| Future opportunity for advancement | 27.0 | 12.1 | 15.9 | 34.2 |
| Monetary considerations | 23.3 | 13.8 | 25.4 | 24.1 |
| Prestige and recognition | 17.7 | 19.0 | 13.8 | 20.0 |
| Anticipated success | 13.7 | 10.3 | 22.0 | 10.8 |
| Personal working relationships | 11.6 | 10.3 | 12.9 | 11.2 |
| Preferable type of work | 6.8 | 1.7 | 7.8 | 7.0 |
| Family considerations | 3.9 | 1.7 | 3.4 | 4.5 |
| Other considerations | 4.9 | 8.6 | 2.2 | 5.7 |

**11. How many companies did you work for prior to your present company?**

Chairmen (20.0 percent), nearly 14 percent of the Presidents, and 22.4 percent of the Vice-Presidents have worked for no other company, quite similar to data collected over the past several years.

| *Companies* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| 0 | 19.7 | 20.0 | 13.6 | 22.4 |
| 1 | 24.7 | 23.6 | 25.0 | 24.4 |
| 2 | 25.7 | 18.2 | 25.0 | 26.8 |
| 3 | 16.9 | 23.6 | 19.1 | 15.4 |
| 4 | 7.8 | 9.1 | 10.9 | 6.1 |
| Over 4 | 5.3 | 5.4 | 6.4 | 4.8 |
| | 100% | 100% | 100% | 100% |

**12. Have you ever worked abroad? If so, for how many years?**

Approximately one in five of the newly promoted executives has worked abroad, and this ratio continues to remain similar to that of the past years. An overseas assignment continues to be an important career-related experience for many of the newly appointed executives.

The length of service overseas varies considerably, with a mean of 5.9 years abroad and a median of 4.0 years for all executives. However, it is not clear if these newly promoted executives had been overseas for more than one foreign assignment. Considerable research suggests that the typical overseas assignment for Americans is approximately 3 years in length. Considering the data in this sample of American executives, one can speculate about the reasons why these U.S. executives had been overseas significantly longer than what is generally found among American expatriates. Had these Americans been posted to an overseas location for more than a single term or had their overseas assignment been almost twice as long as the average overseas posting? It is our opinion that many of these executives had been assigned to an overseas position more than once.

| *Worked Abroad* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| Yes | 22.3 | 34.7 | 25.7 | 19.4 |
| No | 77.6 | 65.3 | 73.9 | 80.6 |
| | 100% | 100% | 100% | 100% |

| *Number of Years of Foreign Service* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| Median | 4.0 | 3.0 | 6.0 | 4.0 |
| Mean | 5.9 | 3.4 | 4.0 | 6.2 |

**13. In what major area of responsibility —**

**— was your first job?**

Marketing/Sales and Finance/Accounting followed by Production/Operations continue to be the three major areas of responsibility in which the newly promoted executives began their careers (22.2, 21.1, and 17.3 percent, respectively). These were followed by 9.2 percent in Law, 9.2

percent in Research/Development, and 3.9 percent in General Management/Administration.

For most executives, their first job responsibility was in the functional area of Marketing. Over 22 percent began their careers with this assignment, that area in close agreement with Finance/Accounting.

**— is your current job?**

General Management continues to represent the major area in which the executives work. Of the newly promoted executives, 57.4 percent reported that General Management is their primary area of responsibility, a bit higher than last year's 54.2 percent.

**— were you last employed?**

On the route to the top there is a perceptible shift from a functional field of specialization to General Management, or at least this is so in the career patterns of these executives. General Management, in which only 3.9 percent started their careers, was the major area of responsibility for 44.3 percent prior to their recent promotion. This is what should be expected given the very nature of their job titles and level within the management hierarchy.

**— was your second-to-last job?**

**— was your third-to-last job?**

General Management/Administration, followed by Finance/Accounting (for both second-to-last and third-to-last jobs) is the primary route taken by the executives on their way to their current top leadership position, which is most commonly in General Management/Administration.

Executives definitely tend to move out of their first job assignment. For example, 17.3 percent began in Production/Operations. By the third-to-the-last job that had dropped to 14.3 percent; by the second-to-the-last job to 9.6 percent; the last job to 7.4 percent; and down to 3.9 percent for the current job. Similar decreasing percentages from first job through third,

second, last, and current job also occur in Marketing/Sales, Research and Development, and Computer/Information Systems.

The area that executives move into from their first job more often is General Management/Administration: 22.0 percent in their third-to-last position; 34.8 percent in their second-to-last position; 44.3 percent in their last position; and 57.4 percent in their current position.

**— have you spent the most time?**

This frequency distribution is similar to that for the first job in most respects, with one notable exception. While 22.4 percent of the newly promoted executives spent the most time (during their rise to the top) in General Management, only 3.9 percent had their first job in General Management.

The median number of years devoted to the area of responsibility in which the newly promoted executives spent the most time was 15.0 and the mean was 16.4. In order to obtain a better understanding of the number of years devoted to a major area of responsibility, it should be noted that the range was from 3 to 44 years.

**— is upward progress fastest?**

Marketing/Sales and General Management/Administration are again considered to be the two fastest routes to the top by a majority of the newly promoted executives (33.3 and 26.2 percent, respectively), followed by Finance/Accounting. All other functional areas rate significantly lower in the judgment of these executives.

**— would you concentrate if starting over?**

Marketing/Sales, Finance/Accounting, and General Management/Administration continue to be the three favored areas in which executives in our study would concentrate if starting over (29.2, 20.3, and 16.1 percent, respectively).

The ratings for the various specializations the executives would choose if starting over were similar to the pattern of areas of responsibility of their

first jobs, except that many more would like to start in General Management/Administration and fewer in Production/Operations and Research and Development.

A comparison of these results with those collected during the last six years indicate great similarity in executives' career patterns. A firm conclusion is this: the area of Marketing/Sales is the area in which to begin.

| *Major Area of Responsibility* | *First Job* | *Current Job* | *Last Job* | *Second-to-last Job* | *Third-to-last Job* | *Most Time* | *Fastest Route Up* | *If Starting Over* |
|---|---|---|---|---|---|---|---|---|
| Marketing/Sales | 22.2 | 6.9 | 11.4 | 15.2 | 19.0 | 19.4 | 33.3 | 29.2 |
| Finance/Accounting/ Taxes | 21.1 | 14.2 | 17.6 | 16.6 | 18.6 | 21.6 | 16.7 | 20.3 |
| Production/ Operations | 17.3 | 3.9 | 7.4 | 9.6 | 14.3 | 12.2 | 11.8 | 12.5 |
| Research and Development | 9.2 | 1.2 | 1.7 | 4.0 | 4.9 | 4.4 | 0.9 | 4.1 |
| Law | 9.2 | 3.9 | 5.6 | 6.4 | 5.8 | 7.9 | 3.3 | 8.1 |
| General Management/ Administration | 3.9 | 57.4 | 44.3 | 34.8 | 22.0 | 22.4 | 26.2 | 16.1 |
| Computer/ Information Systems | 3.2 | 2.3 | 2.0 | 2.7 | 3.6 | 2.5 | 2.0 | 2.9 |
| Personnel/Industrial Relations | 3.2 | 4.0 | 4.0 | 4.5 | 4.4 | 4.1 | 2.4 | 2.6 |
| Other | 9.2 | 6.3 | 6.1 | 6.2 | 7.4 | 5.6 | 3.6 | 4.1 |
| | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |

### 14. Are you now a director of your company?

Slightly over one-third of the newly promoted executives are directors of their respective companies. As a generalization, membership on the board of directors is related to level within the organization's management hierarchy. Approximately 93 percent of the Chairmen are members of the board although 7.3 percent, surprisingly, are not. Only 76.2 percent of the Presidents and 10.8 percent of the Vice-Presidents are directors within their companies.

| *Director of own company* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| Yes | 36.3 | 92.7 | 76.2 | 10.8 |
| No | 62.1 | 7.3 | 23.8 | 89.2 |
| | 100% | 100% | 100% | 100% |

## 15. Number of outside corporate directorships

The generalization holds that Chairmen and Presidents are not so often members of outside boards as the public would believe: 17.9 percent of the Chairmen and 59.5 percent of the Presidents hold no outside directorship. As expected, 79.7 percent of the Vice-Presidents are not on any outside board.

| *Directorships* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| 0 | 68.3 | 17.9 | 59.5 | 79.7 |
| 1 | 17.2 | 32.1 | 22.1 | 12.9 |
| 2 | 8.7 | 26.8 | 9.0 | 5.3 |
| 3 | 2.6 | 12.5 | 5.0 | 0.4 |
| 4 | 1.2 | 5.4 | 2.3 | 0.2 |
| 5 and Over | 1.9 | 5.4 | 2.3 | 1.4 |
| | 100% | 100% | 100% | 100% |

## 16. Number of nonprofit organization directorships

These newly promoted executives are members of the board of directors for an average of 1.2 nonprofit organizations. Chairmen hold directorships in approximately twice the number of nonprofit organizations as Presidents and almost three times as many as Vice-Presidents. Again it should be noted that serving as a director of a nonprofit organization is associated with management level. As one advances up the organization's management hierarchy, the more likely it is that one will be approached to serve as a director of a nonprofit organization.

| *Number of outside directorships* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| Mean | 1.2 | 2.6 | 1.4 | 1.0 |
| Median | 1.0 | 2.0 | 1.0 | 0.0 |

**17. At your level in the organization is it considered important that you will —**

**— participate in external political activity?**

One-third of the executives suggest political activity is important in their firm. That perception is about equal among the Vice-Presidents (3.0), Presidents (3.0), and Chairmen (2.5) when viewing that mean on a value scale of one — highest, to five — lowest. At the opposite extreme of the importance of political activity, 27.3 percent of the executives fall into the category of working for companies which consider political activity less important.

**— encourage a mentoring process?**

Just over half, or 58.1 percent, of all executives consider a mentoring process either important or very important. Over 12 percent consider mentors unimportant or very unimportant.

**— work a certain number of hours per week?**

Compared with last year's data the average number of hours worked weekly increased for Presidents and Vice-Presidents, from 55.1 to 57.2 hours and 54.8 to 55.7 hours respectively. A slight decrease occurred for Chairmen: from last year's 57.5 hours a week to 56.1, hardly a significant change.

**— attend external management development programs?**

Over one-third, or 41.3 percent, of the executives considered external management programs either important or very important. At the other extreme nearly 21.3 percent considered such training unimportant or very unimportant. Major themes felt to be important include the following: advanced human resource management; management and general management; strategies in industrial marketing; long range planning in finance and administration; and computer-related courses relating to finance and marketing.

| *Company Activity* | *Mean* | *Very Important 1* | *2* | *3* | *4* | *Very Unimportant 5* |
|---|---|---|---|---|---|---|
| Political Activity | 3.0 | 11.0 | 24.3 | 37.5 | 7.2 | 20.1 |
| Mentor | 2.3 | 21.1 | 37.0 | 29.4 | 6.4 | 6.2 |
| Hours of Work/Wk. | 56.1 | | | | | |
| External Programs | 2.8 | 7.0 | 34.3 | 37.4 | 10.4 | 10.9 |

## *Education*

### 18. Education

**— by education level**

An inescapable conclusion to be drawn from these data is that newly promoted executives, considered as a group, are highly educated, and it is expected that this trend will continue.

The proportion of newly promoted executives with less than a high school diploma is 0.4 percent, the proportion who graduated from high school but did not obtain a college degree is 6.4 percent, while 93.1 percent of newly appointed executives have a college degree.

Again this year the results indicate that over half of the executives (55.5 percent) had an advanced degree at the graduate/professional level. The percentage of Vice-Presidents with an advanced degree (58.3 percent) is higher than that of the Presidents (50 percent) or Chairmen (48.3 percent), suggesting that within several years well over half of the Presidents and Chairmen will possess advanced degrees.

| *Education Level* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| Less than high school graduate | 0.4 | — | — | 0.6 |
| High school graduate | 0.9 | — | 0.9 | 1.0 |
| Some college, no degree | 5.5 | 10.5 | 4.8 | 4.9 |
| Received undergraduate degree | 93.1 | 89.5 | 93.8 | 93.3 |
| | 100% | 100% | 100% | 100% |

**— by major field of study**

The most common undergraduate majors of newly promoted executives are Business Administration (29.9 percent) and Engineering (25 percent). Social Science is next (22.2 percent), with Economics making up over half of that total. Humanities and Liberal Arts as well as the Behavioral Sciences are among the least popular fields of study.

At the graduate/professional level — for the first graduate degree — 51.0 percent obtained a Business Administration degree. The second most frequent is Law, and 21.6 percent of the newly promoted executives obtained such a degree. A graduate degree in Engineering is the third most popular and 13 percent of the executives earned such a degree.

| *Major Fields of Study* | *Under-graduate* | *Graduate/ Professional 1st Degree* | *Graduate/ Professional 2nd Degree* |
|---|---|---|---|
| Business Administration | 29.9 | 51.0 | 50.8 |
| Engineering | 25.0 | 13.0 | 15.4 |
| Social Science | 22.2 | 4.0 | 7.7 |
| Science and Mathematics | 12.1 | 5.8 | 9.2 |
| Humanities and Liberal Arts | 4.7 | 0.7 | — |
| Behavioral Science | 1.8 | 0.9 | 3.1 |
| Law (and Prelaw) | 0.6 | 21.6 | 10.7 |
| Other | 3.7 | 6.6 | 3.1 |
| | 100% | 100% | 100% |

**— by degree-awarding schools**

Many readers will be particularly interested to learn the school where these highly successful, well educated executives obtained their higher education. The executives received their undergraduate degrees at 171 colleges and universities. More than 95 percent of them graduated from American institutions of higher education; of the remainder, 0.7 percent attended Canadian colleges and universities, 1.4 percent in the United Kingdom, and 2 percent in other foreign countries.

Those who obtained advanced degrees (55.5 percent) received them from 20 colleges and universities, and more than 96 percent of the executives graduated from American institutions of higher learning. Only a few attended universities in Canada, the United Kingdom, or other foreign countries.

Michigan leads among all colleges and universities as the school from which most of the executives received their undergraduate degree. City College of New York is second and Cornell is third. However, one must accept these data cautiously because of the potential for bias in the response. That is, Michigan graduates are likely to return the questionnaire because it is from a Michigan-sponsored study.

At the advanced degree level, the ordering is significantly different from that of the undergraduate list. Harvard leads all other institutions by a large margin. Michigan is a distant second. Pennsylvania and Columbia follow closely in the distribution.

| *College/University* | *Undergraduate Degrees* | *College/University* | *Advanced Degrees* |
|---|---|---|---|
| Michigan | 2.8% | Harvard | 10.9% |
| City College of New York | 2.7 | Michigan | 5.5 |
| Cornell | 2.1 | Pennsylvania | 4.7 |
| Illinois | 2.0 | Columbia | 4.4 |
| Purdue | 2.0 | New York University | 3.5 |
| Notre Dame | 1.8 | Chicago | 3.3 |
| Stanford | 1.7 | Massachusetts Institute of Technology | 3.1 |
| Minnesota | 1.7 | Indiana | 2.7 |
| Harvard | 1.6 | Stanford | 2.4 |
| Wisconsin | 1.6 | Northwestern | 2.2 |
| Yale | 1.6 | Cornell | 1.8 |
| Northwestern | 1.4 | Rutgers | 1.3 |
| | | Washington | 1.3 |
| | 23.0% | | 47.1% |

**19. For the student who plans to follow an undergraduate degree with graduate/professional study, what would you recommend for an undergraduate major and for graduate work as the best preparation for a management career?**

At the undergraduate level almost one-third of the newly promoted executives would recommend either Engineering or Business Administration as the major field of study in preparation for a career in management. Engineering continues to be recommended highly, a trend consistent for the past few years. A slight increase occurred in executives recommending the Humanities, from 24.5 percent last year to 27.6 percent for the current study. Over the past years the recommended increase in Humanities training has risen from 19.0 percent in 1980-81 to the current 27.6 percent, suggesting a perceptible change over the years.

At the graduate level, the newly promoted executives overwhelmingly recommended Business Administration. The combined field of Science and Mathematics was a distant second. None of the executives recommended any other fields for graduate study.

| *Undergraduate Study* | *Percentage Recommending* | *Graduate Study* | *Percentage Recommending* |
|---|---|---|---|
| Engineering | 29.1 | Business Administration | 73.3 |
| Humanities and Liberal Arts | 27.6 | Science and Mathematics | 26.7 |
| Business Administration | 26.4 | | 100% |
| Social Sciences | 10.3 | | |
| Science and Mathematics | 5.9 | | |
| Behavioral Science | 0.5 | | |
| Other | 0.2 | | |
| | 100% | | |

**20. Assuming the study of business administration best prepares a young person for a career in general management, how important are the following courses as part of the preparation?**

In preparation for a career in general management, the highest overall ranking is given to Business Communication, followed by Finance, Accounting, and Computer/Information Systems. The ordering of these first

four courses continues to follow the trend established in early years and, in fact, there was no change from last year's survey. In addition, Business Policy continues to be very important as a course in preparing a young person for a career in business.

Courses in Business Economics, Business Law, Production Operations, and Personnel/Industrial Relations were rated as of intermediate importance. Advertising, International Business, and Statistics were rated somewhat lower than the other courses.

| Courses | Mean | Very Important 1 | 2 | 3 | 4 | Very Unimportant 5 |
|---|---|---|---|---|---|---|
| Business Communication (oral and written) | 1.30 | 75.8 | 19.3 | 3.9 | 0.7 | 0.3 |
| Finance | 1.49 | 58.6 | 35.2 | 4.9 | 0.9 | 0.4 |
| Accounting | 1.58 | 54.3 | 35.9 | 7.5 | 2.0 | 0.3 |
| Computer/Information Systems | 1.71 | 40.5 | 50.1 | 7.9 | 1.2 | 0.3 |
| Marketing | 1.83 | 37.5 | 46.3 | 12.3 | 3.4 | 0.5 |
| Business Policy | 1.85 | 36.9 | 45.8 | 13.6 | 3.3 | 0.4 |
| Business Economics and Public Policy | 1.99 | 29.2 | 46.7 | 20.1 | 3.7 | 0.3 |
| Business Law | 2.17 | 19.8 | 48.9 | 26.3 | 4.5 | 0.5 |
| Production/Operations | 2.35 | 14.7 | 45.8 | 29.6 | 8.6 | 1.1 |
| Personnel/Industrial Relations | 2.39 | 14.2 | 45.1 | 29.0 | 10.8 | 0.9 |
| Advertising/Sales Promotion | 2.56 | 9.4 | 40.8 | 36.9 | 10.4 | 2.4 |
| International Business | 2.57 | 11.5 | 37.8 | 35.1 | 13.5 | 2.0 |
| Statistics | 2.70 | 8.6 | 35.6 | 36.5 | 15.5 | 3.8 |

## *Personal*

### 21. Age and retirement

The age of the newly promoted executives appears not to have changed significantly in recent years. The median age for our ten-year study was 47.1 years; it is 46 for the current year, hardly a significant change.

No significant change in ages of our three executive categories occurs as compared with last year, for instance, the mean age for Chairmen is 54.7; for Presidents 47.5; and Vice-Presidents 45.9. For comparative purposes

the ages for the same three groups in 1981 were respectively: 55.4; 48.4; and 46.2 — interesting, but hardly significant.

| *Age in Years* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| Mean | 47.1 | 54.7 | 47.5 | 45.9 |
| Median | 46 | 56 | 48 | 45 |

Most executives plan to retire at age 65 (the mode), with the mean at 61.4, the median at 62. Just over a third of the executives, 35.7 percent, have made no decision as to their age of retirement.

| *Age at Retirement* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| Mean | 61.4 | 62.4 | 61 | 61.4 |
| Median | 62 | 65 | 62 | 62 |
| Mode | 65 | 65 | 65 | 65 |

## 22. Sex

The overwhelming majority of newly promoted executives are male. These results are disconcerting because in earlier years we noted the trend toward rising participation of women in the highest executive ranks. This year's results reconfirm last year's finding that the number of women promoted into the highest executive ranks was dropping off. One of the most perplexing results of this year's survey is the fact that the percentage of women promoted into vice presidential level positions has fallen off relative to the number of women promoted to other levels of management. Such a finding may portend future reductions in women being elevated into presidential and chairmen's positions.

| *Sex* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| Male | 97.4 | 98.3 | 98.7 | 96.4 |
| Female | 2.6 | 1.7 | 1.3 | 3.6 |
| | 100% | 100% | 100% | 100% |

## 23. State or country of birth

Of those executives who responded to this question, two-thirds were either from the East or the Midwest, 36.1 percent and 35.9 percent respectively. Those from the West totaled 7.7 percent; the Southeast 7.6 percent; and the Southwest 4.9 percent. Most often mentioned foreign countries included Great Britain (2.4 percent); Canada (1.6 percent); and Germany (0.8).

| *Ten Major States Where Born* | *Percentage* |
|---|---|
| New York | 14.3 |
| Pennsylvania | 7.8 |
| Illinois | 7.4 |
| Ohio | 6.1 |
| Michigan | 5.4 |
| Massachusetts | 4.0 |
| New Jersey | 4.0 |
| California | 3.1 |
| Texas | 2.9 |
| Minnesota | 2.9 |

## 24. Order of birth

Among the newly promoted executives, 88.1 percent had brothers and sisters. Over 41 percent of the executives were the first child, and among the Presidents and Vice-Presidents approximately four out of ten were the first born.

| *Order of Birth* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| Only child | 11.9 | 12.5 | 11.6 | 11.5 |
| First child | 41.1 | 28.6 | 40.9 | 43.3 |
| Middle child | 23.4 | 32.1 | 22.7 | 22.5 |
| Last child | 23.6 | 26.8 | 24.9 | 22.7 |
| | 100% | 100% | 100% | 100% |

## 25. Income level of the parental home

Taken as a whole, newly promoted executives predominantly come from middle income homes (57.7 percent), followed by lower (31.1 percent) and upper (11.1 percent) income homes. As a generalization, one could say that nearly a third of newly promoted executives come from relatively humble beginnings.

| *Income Level of Home* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| Upper income | 11.1 | 21.1 | 12.5 | 9.6 |
| Middle income | 57.7 | 50.9 | 58.0 | 57.8 |
| Lower income | 31.1 | 31.1 | 29.5 | 32.7 |
| | 100% | 100% | 100% | 100% |

## 26. Parents' single predominant occupation

What were the predominant occupations of the parents during the executives' childhoods? Over 80 percent of the executives' mothers were homemakers, while 5.2 percent were employed in office and clerical type positions and 5.6 percent were professionals. For the fathers, 28.6 percent worked as officials or managers, 19.7 percent were professionals and 11.2 percent were sales personnel. That is, almost two-thirds of the executives come from homes in which their fathers held traditional managerial, professional, or white collar type jobs. In contrast, over 24 percent of executives' fathers were employed in traditional blue collar occupations (skilled crafts 13.3 percent, operatives 4.6 percent, and laborers 6.3 per-

| *Predominant Occupation* | *Total* | | *Chairmen* | | *Presidents* | | *Vice-Presidents* | |
|---|---|---|---|---|---|---|---|---|
| | *Mother* | *Father* | *Mother* | *Father* | *Mother* | *Father* | *Mother* | *Father* |
| Homemaker | 82.8 | — | 92.7 | — | 84.6 | — | 80.6 | — |
| Officials and Managers | 1.4 | 28.6 | — | 32.7 | 2.7 | 31.8 | 1.0 | 27.1 |
| Professional | 5.6 | 19.7 | 3.6 | 12.7 | 5.0 | 17.5 | 6.1 | 21.7 |
| Technician | — | 3.4 | — | 3.6 | — | 1.8 | — | 4.2 |
| Sales | 0.8 | 11.2 | — | 18.2 | 0.5 | 13.0 | 1.0 | 9.4 |
| Office and clerical | 5.2 | 4.0 | — | — | 5.0 | 3.6 | 6.1 | 4.4 |
| Skilled crafts | 0.6 | 13.3 | — | 12.7 | — | 12.1 | 0.8 | 14.1 |
| Operative | 0.8 | 4.6 | — | 1.8 | — | 6.3 | 1.2 | 3.8 |
| Laborer | 0.8 | 6.3 | — | 9.1 | 0.9 | 6.7 | 0.8 | 6.0 |
| Service worker | 1.8 | 4.1 | 3.6 | 1.8 | 0.9 | 3.1 | 2.0 | 4.6 |
| Farmer | 0.1 | 3.6 | — | 5.5 | — | 3.1 | 0.2 | 3.6 |
| Other | — | 1.2 | — | 1.8 | — | 0.8 | 0.2 | 1.2 |
| | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |

cent). Only 3.6 percent of the executives' fathers were farmers. This year's data indicate a slight increase in the number of executives whose fathers came from blue collar, working class origins.

Upon closer examination of the table it can be observed that regardless of executive level the executives' mothers were predominantly homemakers. However, as one descends the executive hierarchy one can note several shifts beginning to appear. The mothers of Presidents and Vice-Presidents were employed outside the home in a broad range of different occupations. Perhaps these data are indicative of the early movement of women into permanent positions in the labor force.

For the fathers of those newly promoted executives, shifts in the occupational mix are apparent, too. Just over one quarter of the fathers were officials or managers; however, there is a slight increase in the percentage of fathers who were professionals as one descends the executive hierarchy (Chairmen 12.7 percent, Presidents 17.5 percent, Vice-Presidents 21.7 percent). The percentage of fathers who were skilled craftsmen also slightly increases as one goes from Presidents (12.1 percent) through Chairmen (12.7 percent) to Vice-Presidents (14.1 percent). These findings will be especially interesting to follow through the coming years because of the changing nature of employment reported to be occurring in the United States as a result of the shift of employment from heavy manufacturing to a service-oriented economy.

## 27. Religion

More than half of the executives are Protestant; slightly over a quarter are Catholic; then those of the Jewish faith are followed by the categories "none" and "other."

| *Category* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| Protestant | 54.8 | 55.2 | 60.3 | 52.1 |
| Catholic | 27.6 | 27.6 | 21.8 | 30.1 |
| Jewish | 9.3 | 6.9 | 9.2 | 10.0 |
| None | 7.0 | 8.6 | 7.4 | 6.4 |
| Other | 1.4 | 1.7 | 1.3 | 1.4 |
| | 100% | 100% | 100% | 100% |

## 28. Racial/ethnic background

The top level positions within American corporations continue to be the province of the white American. Over 98 percent of the executives promoted to positions of Chairmen, Presidents, and Vice-Presidents are white, while only a few are black, Hispanic, or Asian.

| *Racial Background* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| White | 98.3 | 100 | 98.2 | 98.0 |
| Black | 0.6 | — | — | 1.0 |
| Hispanic | 0.5 | — | 0.9 | 0.4 |
| Oriental | 0.4 | — | 0.9 | 0.2 |
| Other | 0.2 | — | — | 0.2 |
| | 100% | 100% | 100% | 100% |

## 29. Marital status

A phenomenal — by today's statistics — 79.1 percent of the executives are married to their first spouse; that high percentage appears across all executive categories. More Chairmen are in their second marriage (20.7 percent) than Presidents (16.2 percent) or Vice-Presidents (12.8 percent). No Chairman or Vice-President lives with someone to whom he is not married, and one President falls into that category. Executives continue an earlier trend: they are married, with only a few divorced or separated.

| *Marital Status* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| Never married | 1.1 | — | 0.9 | 1.4 |
| 1st marriage | 79.1 | 74.1 | 77.7 | 80.2 |
| Live with someone but not married | 0.1 | — | 0.4 | — |
| Separated | 0.6 | 1.7 | 0.4 | 0.6 |
| 2nd marriage | 14.3 | 20.7 | 16.2 | 12.8 |
| Divorced | 3.5 | 1.7 | 3.1 | 3.8 |
| 3rd marriage | 0.9 | 1.7 | 1.3 | 0.6 |
| Widowed | 0.4 | — | — | 0.6 |
| | 100% | 100% | 100% | 100% |

## 30. Employment status of spouse

Employment of one's spouse tends to be related to executive level. This finding holds whether a spouse is employed part time or full time. Stated in other terms, 89.3 percent of the Chairmen's spouses, 77.2 percent of Presidents', and 68.3 percent of the Vice-Presidents' are not employed. This year these data may again reflect changing mores about the legitimacy of employment for the spouses of high level executives. Or perhaps it reflects the organizational demands placed upon executives' spouses as they advance up the executive hierarchy. These comments apply to the male portion of the sample as well. It is assumed that within the American society, the spouses of the female executives are working. To date, nothing would disprove that assumption.

| *Employment Status of Spouse* | *Total* | *Chairmen* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|---|
| Full time | 11.9 | 1.8 | 8.2 | 15.2 |
| Part time | 15.3 | 8.9 | 14.6 | 16.5 |
| Not employed | 72.8 | 89.3 | 77.2 | 68.3 |
| | 100% | 100% | 100% | 100% |

## 31. Classification of spouse's occupation

The number of employed spouses decreases the higher executives rise in an organization. Thus only one spouse of 58 Chairmen is employed full time (1.8 percent); 18 spouses of 273 Presidents are employed full time (8.2 percent); and 71 spouses of 511 Vice-Presidents are employed full time (15.2 percent). In top executive ranks, fewer spouses work than is the national norm; those who do work are strongly represented in professional occupations, which are followed by managerial and sales positions.

| *Occupation of Spouse* | *Total* | *Presidents* | *Vice-Presidents* |
|---|---|---|---|
| Professional | 56.0 | 49.0 | 57.2 |
| Managerial | 11.5 | 10.2 | 12.5 |
| Sales | 11.0 | 16.3 | 9.2 |
| Sole proprietor | 8.6 | 8.2 | 8.6 |
| Office/clerical | 8.1 | 10.2 | 7.9 |
| Technical | 3.8 | 4.1 | 3.9 |
| Other | 1.0 | 2.0 | 0.7 |
| | 100% | 100% | 100% |

## 32. Importance of spouse's contribution

Over the last several years there appears to be no change in the way the executives view the importance of their spouses' contribution to their success in business. The newly promoted executives continue to consider their spouses to be of utmost importance, both in maintaining a satisfying and well-run home and in offering emotional support. In this respect, the spouse is perceived to minister to the executive's personal needs, as well as in other ways not directly work-related. Participating in official company-related activities or acting as a host or hostess are viewed to be at best somewhat important. Finally, providing additional financial support or clerical assistance is viewed to be of little importance.

The conclusion to be drawn is that the newly promoted executives, considered as a group, view their spouses to have contributed significantly to their success in business, and these contributions have been very personal and not work-related.

## 33. Serious problems in economy today and in three years

Executives continued to rank an Unbalanced Budget as the major economic concern for today (76.5 percent), but slightly down from last year's 80.9 percent. Rising from last year's fourth serious economic issue to second position this year is Global Competition, from 46.2 percent to 57.8 percent. Low Productivity continues to be a concern as does Government Intervention and High Interest Rates. Less emphasis is given to such issues as Employee Unrest; Inflation; and Unemployment.

| *Spouse's Contribution* | *Mean* | *Extremely Important 1* | *Very Important 2* | *Somewhat Important 3* | *Little Importance 4* | *No Importance 5* |
|---|---|---|---|---|---|---|
| Maintaining satisfying and well-run home | 1.56 | 58.8% | 30.8% | 7.5% | 2.0% | 0.9% |
| Offering emotional support | 1.65 | 54.3 | 31.6 | 10.2 | 3.2 | 0.8 |
| Participating in official company activities | 2.93 | 8.6 | 26.1 | 37.1 | 19.5 | 8.6 |
| Acting as host/hostess | 2.97 | 8.5 | 26.1 | 35.5 | 19.9 | 10.1 |
| Providing advice on business matters | 3.59 | 3.5 | 14.0 | 29.0 | 27.5 | 26.1 |
| Engaging in community activities | 3.67 | 2.4 | 12.5 | 29.5 | 26.7 | 28.9 |
| Providing additional financial income | 4.41 | 1.7 | 2.4 | 11.2 | 22.9 | 61.8 |
| Providing clerical or miscellaneous assistance to job | 4.69 | 0.3 | 0.9 | 3.7 | 19.5 | 75.5 |

Issues most frequently mentioned under the category "other" include Excessive Government Spending and Problems of Retaining the Work Force.

An Unbalanced Budget is predicted to be the dominant concern three years from now (59.6 percent) followed by the issue of Global Competition (54.5 percent), and Low Productivity (35.6 percent). Employee Unrest, Consumer Confidence, and Unemployment receive less emphasis as potential issues three years from now.

| *Serious Problems in Economy Today* | *Percentage of Respondents Listing Issues as 1 of 3 Major Concerns* |
|---|---|
| Unbalanced Budget | 76.5 |
| Global Competition | 57.8 |
| Low Productivity | 49.5 |
| Government Intervention | 35.8 |
| High Interest Rates | 21.2 |
| Consumer Confidence | 10.5 |
| Unemployment | 9.7 |
| Other | 9.6 |
| Inflation | 5.6 |
| Employee Unrest | 5.1 |

| *Serious Problems in Economy 3 Years From Now* | *Percentage of Respondents Listing Issues as 1 of 3 Major Concerns* |
|---|---|
| Unbalanced Budget | 59.6 |
| Global Competition | 54.5 |
| Low Productivity | 35.6 |
| Inflation | 33.2 |
| Government Intervention | 33.0 |
| High Interest Rate | 22.6 |
| Unemployment | 12.7 |
| Consumer Confidence | 10.0 |
| Employee Unrest | 9.5 |
| Other | 7.3 |

## *Lifestyles*

### 34, 35. Height and weight

The mean height and weight of the executives was just over 5' 10" and 180 pounds. By most general estimates (without knowing frame sizes and percent body fat) they are approximately 10 pounds overweight.

| *Weight* | *Percent* | *Height* | *Percent* |
|---|---|---|---|
| Less than 160 | 13 | Less than 5' 06" | 9 |
| 160 - 169 | 13 | 5' 06" - 5' 07" | 8 |
| 170 - 179 | 17 | 5' 08" - 5' 09" | 25 |
| 180 - 189 | 17 | 5' 10" - 5' 11" | 30 |
| 190 - 199 | 15 | 6' 00" - 6' 01" | 18 |
| 200 - 209 | 10 | 6' 02" - 6' 03" | 7 |
| Greater than 210 | 15 | Greater than 6' 04" | 3 |
| | 100% | | 100% |

### 36. Smoking and drinking

Slightly over 20 percent of the executives report being a current smoker while 32 percent are ex-smokers and 47 percent never smoked. Of the smokers, 54 percent report smoking 20-39 cigarettes per day. The average for all smokers was 25 cigarettes per day. Drinking is a more common behavior: 94 percent of the executives report being drinkers. Of the drinkers, 60 percent drink fewer than seven drinks per week.

| *Response* | *Smokers* | *Drinkers* |
|---|---|---|
| Never | 47 | 5 |
| Ex- | 32 | 2 |
| Presently | 20 | 94 |
| | 100% | 100% |

| *Smokers — Cigarettes per day* | *Percent* |
|---|---|
| Fewer than 20 | 23 |
| 20 - 39 | 54 |
| 40 - 59 | 21 |
| Greater than 60 | 2 |
| | 100% |

| *Drinkers — Drinks per week* | *Percent* |
|---|---|
| Fewer than 7 | 60 |
| 7 - 13 | 29 |
| 14 - 20 | 11 |
| Greater than 21 | 1 |
| | 100% |

## 37. Blood pressure and cholesterol level

About 1 in 3 (35 percent) of the executives knew their blood pressure while 58 percent knew their cholesterol level. It may be that executives rely upon a physician to monitor blood pressure and cholesterol as they would rely upon a mechanic to monitor their automobile. Of those who knew their blood pressure, 11-16 percent report borderline or high blood pressure (which is considered to be 140/90).

Of those who knew their cholesterol levels, 32 percent had borderline high levels which means a cholesterol level in excess of 240. It is likely that many of the executives who did not know their values have high or borderline blood pressure or cholesterol.

| *Systolic Blood Pressure* | *Percent* |
|---|---|
| Less than 120 | 26 |
| 120 - 139 | 63 |
| 140 - 159 | 10 |
| Greater than 160 | 1 |

| *Diastolic Blood Pressure* | *Percent* |
|---|---|
| Less than 80 | 31 |
| 80 - 89 | 53 |
| 90 - 99 | 12 |
| Greater than 100 | 4 |

| *Cholesterol* | *Percent* |
|---|---|
| Less than 200 | 33 |
| 200 - 239 | 35 |
| 240 - 259 | 14 |
| Greater than 260 | 18 |

## 38. Miles driven and seatbelt usage

Executives drive a median number of 15,000 miles in a passenger car while their median seatbelt usage is 90 percent. Most executives routinely use their seatbelts while less than 20 percent report less than 20 percent usage.

| *Yearly Miles as a Driver or Passenger* | *Percent* | *Seatbelt Usage in %* | *Percent* |
|---|---|---|---|
| Less than 10,000 | 9 | Less than 20 | 19 |
| 10,000 - 14,999 | 26 | 20 - 39 | 5 |
| 15,000 - 19,999 | 25 | 40 - 59 | 8 |
| 20,000 - 24,999 | 21 | 60 - 79 | 5 |
| 25,000 - 29,999 | 10 | 80 - 99 | 24 |
| Greater than 30,000 | 10 | 100 | 38 |
| | 100% | | 100% |

## 39. Level of physical exercise

Approximately 50 percent of the executives report participating in regular exercise, at least three times per week. Only 13 percent report little or no exercise.

## 40. Satisfied with job, life, and physical health

Satisfaction with one's job and one's physical health are often good predictors of overall life satisfaction. Over 91 percent of the executives report being completely or quite satisfied with their jobs and life and just under 76 percent report being completely or quite satisfied with their physical health. The executives are least satisfied with their physical health, compared to their job and life satisfaction.

| *Level of Satisfaction* | *Job* | *Life* | *Physical Health* |
|---|---|---|---|
| Completely | 42 | 35 | 26 |
| Quite | 51 | 56 | 50 |
| Somewhat | 7 | 8 | 20 |
| Not very | 1 | — | 5 |
| | 100% | 100% | 100% |

## 41. Social ties

The strongest social ties are reported being with the family (68 percent, "very strong"). After the family the strength of the social ties falls off rapidly, with the weakest (14 percent, "very strong") being with his or her superior.

| *Strength of Social Ties* | *Family* | *Friends* | *Co-Workers* | *Superior* |
|---|---|---|---|---|
| Very strong | 68 | 24 | 17 | 14 |
| About average | 27 | 64 | 69 | 68 |
| Weaker than average | 5 | 13 | 14 | 16 |
| Not sure | 1 | 0 | 1 | 3 |
| | 100% | 100% | 100% | 100% |

## 42. Personality and lifestyle factors

### — autonomy and perspective

Slightly over 90 percent of the executives strongly agree (35 percent) or agree (56 percent) that, "I control my life." The executives strongly agree (46 percent) or agree (46 percent) that, "I have a good sense of my professional direction."

| *Response* | *Control of life* | *Good sense of professional direction* |
|---|---|---|
| Strongly agree | 35 | 46 |
| Agree | 56 | 46 |
| Neutral | 7 | 7 |
| Disagree | 2 | 1 |
| Strongly disagree | 0 | 0 |
| | 100% | 100% |

### — time orientation

Eighty-five percent of the executives report being hard-driving and time-oriented, while only 52 percent report feeling rushed to do things. The sense of not feeling rushed all the time may be related to the executives' high level within the organization and their responsibilities for longer range strategic planning.

| *Response* | *Hard-driving and time-oriented* | *Rushed to do things* |
|---|---|---|
| Strongly agree | 39 | 14 |
| Agree | 46 | 38 |
| Neutral | 13 | 28 |
| Disagree | 3 | 19 |
| Strongly disagree | 0 | 1 |
| | 100% | 100% |

### — job involvement

Only 40 percent of the executives strongly agree (6 percent) or agree (34 percent) that, "The most important things that happen to me involve my job." Twenty-eight percent disagree or strongly disagree. This indicates that many executives have other interests of equal or more importance (e.g., family).

| *Response* | *Most important things that happen involve job* |
|---|---|
| Strongly agree | 6 |
| Agree | 34 |
| Neutral | 33 |
| Disagree | 23 |
| Strongly disagree | 5 |
| | 100% |

**— nutrition and sleep**

The executives are relatively equally divided on whether or not they maintain good individual nutritional and sleep habits. Most problems seem to arise in maintaining the "right" body weight.

| *Response* | *Maintain "right" body weight* | *Follow good nutritional habits* | *Have good sleep habits* |
|---|---|---|---|
| Strongly agree | 15 | 12 | 12 |
| Agree | 32 | 44 | 48 |
| Neutral | 20 | 27 | 26 |
| Disagree | 29 | 16 | 13 |
| Strongly disagree | 5 | 1 | 1 |
| | 100% | 100% | 100% |

**43. Personal loss or misfortune**

Only 20 percent of the executives have experienced either two or more (4 percent) or one (16 percent) personal loss or misfortune in the past year.

**44. Physical symptoms**

The executives report being relatively free of serious, chronic symptoms (headaches, anxiety, stomach/intestinal pains, etc.). Only 4 percent reported "always" or "often" and 22 percent report "sometimes." The executives are not entirely symptom-free as only 16 percent reported they never have any physical symptoms.

# Appendix

These data will be kept anonymous —

Please return in enclosed envelope

# THE NEWLY PROMOTED EXECUTIVE

## A Study in Corporate Leadership

**Career Pattern**

1. Position to which you have just been appointed:

1-9-10

Chairman 01 ( ) & Chief Executive Officer
Chairman 02 ( ) not Chief Executive Officer
Chairman & President 03 ( )
Vice Chairman 04 ( )
President 05 ( ) & Chief Executive Officer
President 06 ( ) not Chief Executive Officer
1-11-12 President 07 ( ) of a subsidiary, division or group
08 ( ) Executive Vice President
09 ( ) Group Vice President
10 ( ) Senior Vice President
11 ( ) Vice President _____
_____ (full title)

2. Industry in which your company primarily operates (check one):

| | Non-manufacturing | Manufacturing |
|---|---|---|
| | 01 ( ) advertising, public relations | 19 ( ) aerospace |
| | 02 ( ) agriculture, forestry, fisheries | 20 ( ) apparel |
| 1-13-14 | 03 ( ) banking | 21 ( ) automotive |
| | 04 ( ) communications | 22 ( ) building products |
| | 05 ( ) construction | 23 ( ) chemicals |
| | 06 ( ) computer or info. systems | 24 ( ) computer or office technology |
| | 07 ( ) entertainment, leisure | 25 ( ) electrical machinery |
| | 08 ( ) finance/credit | 26 ( ) electronics and electrical prods. |
| | 09 ( ) insurance | 27 ( ) fabricated metals |
| | 10 ( ) investment bkg & securities | 28 ( ) food |
| | 11 ( ) mining | 29 ( ) non-electrical machinery |
| | 12 ( ) professional services | 30 ( ) packaging |
| | 13 ( ) public utilities | 31 ( ) paper |
| | 14 ( ) real estate, land development | 32 ( ) petroleum |
| | 15 ( ) retail trade | 33 ( ) pharmaceuticals |
| | 16 ( ) transportation, all kinds | 34 ( ) plastic & rubber |
| | 17 ( ) wholesale trade | 35 ( ) primary metals |
| 1-15-16 | 18 ( ) other _____ | 36 ( ) printing, publishing |
| 1-17-18 | (write in) | 37 ( ) textiles |
| | | 38 ( ) transportation equipment |
| | | 39 ( ) other _____ |
| | | (write in) |

3. Approximate annual gross operating revenue:

| | | | |
|---|---|---|---|
| | 1 ( ) under $10 Mil. | 4 ( ) $100 to 249 Mil. | 7 ( ) $1 to 2 Bil. |
| 1-19 | 2 ( ) $10 to 49 " | 5 ( ) $250 to 499 " | 8 ( ) $2 to 10 " |
| | 3 ( ) $50 to 99 " | 6 ( ) $500 to 999 " | 9 ( ) Over $10 " |

1-20-26 4. What was your annual base salary prior to this promotion? $_____

1-27-33 5. What is your current annual base salary? $_____

6. Please indicate which of the following perquisites are available with your job:

| | | |
|---|---|---|
| | 1 ( ) cash bonus | 1 ( ) retirement annuity |
| 1-34-44 | 1 ( ) stock options | 1 ( ) employment contract |
| | 1 ( ) stock purchase plan | 1 ( ) company leased automobile |
| | 1 ( ) deferred compensation plan | 1 ( ) club memberships |
| | 1 ( ) low cost loans | 1 ( ) other (please specify) |
| 1-45-46 | 1 ( ) financial planning | _____ |
| | | _____ |

7. How long have you been with your present employer?

| | | | |
|---|---|---|---|
| | 1 ( ) Less than 1 year | 4 ( ) 6-10 years | 7 ( ) 21-25 years |
| 1-47 | 2 ( ) 1-2 years | 5 ( ) 11-15 years | 8 ( ) 26-30 years |
| | 3 ( ) 3-5 years | 6 ( ) 16-20 years | 9 ( ) Over 30 years |

**RESEARCH PROGRAM ON THE NEWLY PROMOTED EXECUTIVE**
Graduate School of Business Administration • The University of Michigan • Ann Arbor, MI 48109

8. Were you

1.48
1 ( ) promoted from within company (or subsidiaries)?
2 ( ) recently hired away from another organization?
3 ( ) an employee of an organization recently acquired by your company?

9. How long were you in your previous position?

1.49
1 ( ) Less than 1 year
2 ( ) 1 year
3 ( ) 2 years
4 ( ) 3 years
5 ( ) 4 years
6 ( ) 5 years
7 ( ) 6-9 years
8 ( ) 10-15 years
9 ( ) Over 15 years

10. Please check the 3 most important considerations in your decision to change positions:

1.50-60
1 ( ) Monetary considerations
1 ( ) Family considerations
1 ( ) The normal career advancement pattern
1 ( ) Prestige & recognition
1.61-62 1 ( ) Personal challenge
1 ( ) Importance of job itself
1 ( ) Future opportunity for advancement
1 ( ) Personal working relationships
1 ( ) Anticipated success
1 ( ) Preferable type of work
1 ( ) _____

1.63-64 11. How many other companies did you work for prior to your present company? _____

1.65-67 12. Have you worked outside of the USA? 1 ( ) Yes 2 ( ) No If so, for how many years? _____

13. In which major area of responsibility (check appropriate box)

| | Production Operations | Marketing Sales | Finance Accounting Taxes | Personnel Indust. Relations | Research & Development | Law | General Mgt. Admin. | Computer Info. Systems | Other — please specify |
|---|---|---|---|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| 1.68 — was your first permanent job in business? | | | | | | | | | |
| 1.69 — is your current job? | | | | | | | | | |
| 1.70 — was your last job? | | | | | | | | | |
| 1.71 — was your second to last job? | | | | | | | | | |
| 1.72 — was your third to last job? | | | | | | | | | |
| 1.73 — have you spent the most time? | | | | | | | | | |
| 1.74-75 Years spent (_____) | | | | | | | | | |
| 1.76 — is upward progress fastest? | | | | | | | | | |
| 1.77 — would you concentrate if starting over? | | | | | | | | | |
| 2.9-20 | | | | | | | | | |

2.21 14. Are you now a director of your company? 1 ( ) Yes 2 ( ) No

2.22-23 15. Please indicate the number of outside corporate directorships you currently hold _____

2.24-25 16. Please indicate the number of non-profit organization directorships you currently hold _____

17. At your level in the organization, is it considered important that you will:

| | Very Important | Somewhat Important | Neutral | Somewhat Unimportant | Very Unimportant |
|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 |
| 2.26 Participate in external political activity? | ___ | ___ | ___ | ___ | ___ |
| 2.27 Encourage a mentoring process? | ___ | ___ | ___ | ___ | ___ |
| Work (check one) ___ 40 ___ 50 ___ 60 | | | | | |
| 2.28-30 ___ over 70 hrs/wk | ___ | ___ | ___ | ___ | ___ |
| 2.31 Attend external management education programs? | ___ | ___ | ___ | ___ | ___ |

2.32-33 Topics: _____

2.34-35 _____

2.36-37 Others: _____

2.38-39 _____

## Education

18. Education:

2:49 1 ( ) Less than a high school graduate 3 ( ) Some college, no degree
2 ( ) High school graduate 4 ( ) Received undergraduate degree

2:50-57 _____ at _____
(degree and major) (college)

2:58 1 ( ) Received advanced degree(s) in:

2:59-66 _____ at _____
(degree and major) (college)

2:67-74 _____ at _____
(degree and major) (college)

19. For the student who plans to follow an undergraduate degree with graduate/professional study, what would you recommend for an undergraduate major and for graduate work as the best preparation for a management career?

| | Undergraduate Major | Graduate/Professional Study |
|---|---|---|
| 2:75-76<br>2:77-78 | | |

20. Assuming the study of business administration best prepares a young person for a career in general management, how important are the following courses as a part of that preparation:

| | | Very Important 1 | Somewhat Important 2 | Neutral 3 | Somewhat Unimportant 4 | Very Unimportant 5 |
|---|---|---|---|---|---|---|
| 3:9 | Accounting | ___ | ___ | ___ | ___ | ___ |
| 3:10 | Advertising/Sales Promotion | ___ | ___ | ___ | ___ | ___ |
| 3:11 | Computer/Information Systems | ___ | ___ | ___ | ___ | ___ |
| 3:12 | Business Economics & Public Policy | ___ | ___ | ___ | ___ | ___ |
| 3:13 | Business Law/Legal Environment | ___ | ___ | ___ | ___ | ___ |
| 3:14 | Business Communication: Oral & Written | ___ | ___ | ___ | ___ | ___ |
| 3:15 | Business Policy/Planning | ___ | ___ | ___ | ___ | ___ |
| 3:16 | Finance | ___ | ___ | ___ | ___ | ___ |
| 3:17 | International Business | ___ | ___ | ___ | ___ | ___ |
| 3:18 | Marketing | ___ | ___ | ___ | ___ | ___ |
| 3:19 | Personnel/Industrial Relations | ___ | ___ | ___ | ___ | ___ |
| 3:20 | Production/Operations | ___ | ___ | ___ | ___ | ___ |
| 3:21 | Statistics | ___ | ___ | ___ | ___ | ___ |
| 3:22-24 | Others: _____ | ___ | ___ | ___ | ___ | ___ |
| 3:25-27 | _____ | ___ | ___ | ___ | ___ | ___ |

## Personal

3:28-31 21. Your age: _____ At what age do you plan to retire? _____ Don't know? _____ 1
3:32

3:33 22. Sex: 1 ( ) Male 2 ( ) Female

3:34-36 23. State; or if foreign born, country of birth? _____

3:37 24. Were you an 1 ( ) only child 2 ( ) first child 3 ( ) middle child 4 ( ) last child

25. Indicate the income level of the home from which you came.

3:38 1 ( ) Upper Income 2 ( ) Middle Income 3 ( ) Lower Income

26. What was your parents' single predominant occupation during your childhood? (Check only one occupation for each parent)

| | | Mother 1 | Father 2 | | Mother 1 | Father 2 |
|---|---|---|---|---|---|---|
| 3:39-41 | 01 Homemaker | ___ | ___ | 07 Skilled crafts | ___ | ___ |
| 3:42-44 | 02 Officials and managers | ___ | ___ | 08 Operative | ___ | ___ |
| | 03 Professional | ___ | ___ | 09 Laborer | ___ | ___ |
| | 04 Technician | ___ | ___ | 10 Service worker | ___ | ___ |
| | 05 Sales | ___ | ___ | 11 Farmer | ___ | ___ |
| | 06 Office and clerical | ___ | ___ | 12 Other_____ | ___ | ___ |

27. Your religion:

3:45
1 ( ) Catholic
2 ( ) Protestant
3 ( ) Jewish
4 ( ) None
5 ( ) Other: _____

28. Racial/Ethnic background:

3:46
1 ( ) White
2 ( ) Black
3 ( ) Hispanic
4 ( ) Oriental
5 ( ) Other: _____

29. Current marital status:

3:47
1 ( ) Never married
2 ( ) 1st marriage
3 ( ) Living with someone but not married
4 ( ) Separated
5 ( ) 2nd marriage
6 ( ) Divorced
7 ( ) 3rd or more marriage
8 ( ) Widow(er)

30. If you are currently married is your spouse employed:

3:48
1 ( ) Full time
2 ( ) Part time
3 ( ) Not employed

31. If your spouse is currently employed, how would you classify her/his occupation?

3:49
1 ( ) Professional
2 ( ) Technical
3 ( ) Managerial
3:50-52 4 ( ) Sole proprietor
5 ( ) Office/clerical
6 ( ) Sales
7 ( ) Other (specify) _____

32. If you are currently married, please indicate how important each of the following contributions of your spouse has been to your success in business:

| | | Extremely Important 1 | Very Important 2 | Somewhat Important 3 | Little Importance 4 | No Importance 5 |
|---|---|---|---|---|---|---|
| 3:53 | Providing additional financial income | ___ | ___ | ___ | ___ | ___ |
| 3:54 | Participating in official company related activities | ___ | ___ | ___ | ___ | ___ |
| 3:55 | Providing clerical or miscellaneous assistance to your job | ___ | ___ | ___ | ___ | ___ |
| 3:56 | Engaging in community related activities | ___ | ___ | ___ | ___ | ___ |
| 3:57 | Acting as a host/hostess | ___ | ___ | ___ | ___ | ___ |
| 3:58 | Providing advice on business related matters | ___ | ___ | ___ | ___ | ___ |
| 3:59 | Offering emotional support | ___ | ___ | ___ | ___ | ___ |
| 3:60 | Maintaining a satisfying and well run home | ___ | ___ | ___ | ___ | ___ |

33. Please check the three most serious problems you feel present in our economy today and your estimate as to problems 3 years from now

| | Today | 3 years from now |
|---|---|---|
| 4:9-14 | 01 ___ Employee unrest | 01 ___ |
| | 02 ___ Inflation | 02 ___ |
| | 03 ___ Unbalanced budget | 03 ___ |
| | 04 ___ Low productivity | 04 ___ |
| | 05 ___ High interest rates | 05 ___ |
| 4:15-20 | 06 ___ Government intervention | 06 ___ |
| | 07 ___ Global competition | 07 ___ |
| | 08 ___ Consumer confidence | 08 ___ |
| | 09 ___ Unemployment | 09 ___ |
| 4:21-23 | 10 ___ Other: _____ | 10 ___ |
| 4:24-26 | | |

## LIFESTYLES

4.27-29 34. Your weight: (without shoes) _____ pounds

4.30-32 35. Your height: (without shoes) (no fractions) e.g. 5 foot 7 inches ____' ____"

36. Your smoking and drinking:

4.33-35 1 ( ) Never Smoke 2 ( ) Ex-smoker 3 Smoke (____) Cigarettes/per day
4.36-38 1 ( ) Never Drink 2 ( ) Ex-drinker 3 Drink (____) Drinks/per week

37. Your blood pressure/cholesterol level:

4.39-42 1 ( ) Do not know my systolic blood pressure (high number) My SBP is (____)
4.43-46 1 ( ) Do not know my diastolic blood pressure (low number) My DBP is (____)
4.47-50 1 ( ) Do not know my cholesterol level My CHO is (____)

4.51-55 38. As a driver and/or a passenger of a motor vehicle, you travel (____,000) miles per year and
4.56-58 use your seatbelt (____%) of time.

39. Please indicate the level of physical activity in which you currently participate: (e.g., sustained physical exertion as walking briskly, running, lifting and carrying)

4.59 1 ( ) regularly--at least 3 times/per week 2 ( ) occasionally 3 ( ) little or none

40. In general, how satisfied are you with your:

| | | Completely satisfied 1 | Quite satisfied 2 | Somewhat satisfied 3 | Not very satisfied 4 |
|---|---|---|---|---|---|
| 4.60 | Job | | | | |
| 4.61 | Life | ___ | ___ | ___ | ___ |
| 4.62 | Physical health | ___ | ___ | ___ | ___ |
| | | ___ | ___ | ___ | ___ |

41. In general how strong are your social ties with:

| | | Very strong 1 | About average 2 | Weaker than average 3 | Not sure 4 |
|---|---|---|---|---|---|
| 4.63 | Your family | | | | |
| 4.64 | Your friends | ___ | ___ | ___ | ___ |
| 4.65 | Your superior | ___ | ___ | ___ | ___ |
| 4.66 | Your co-workers | ___ | ___ | ___ | ___ |
| | | ___ | ___ | ___ | ___ |

42. Please indicate where you think you currently are for the following questions:

| | | Strongly agree 1 | Agree 2 | Neutral 3 | Disagree 4 | Strongly Disagree 5 |
|---|---|---|---|---|---|---|
| 4.67 | I control my life. | | | | | |
| 4.68 | I am a hard-driving and time oriented person. | ___ | ___ | ___ | ___ | ___ |
| 4.69 | I have a good sense of my professional direction for the next several years. | ___ | ___ | ___ | ___ | ___ |
| 4.70 | I feel rushed to do things that I have to do. | ___ | ___ | ___ | ___ | ___ |
| 4.71 | I maintain my "right" body weight. | ___ | ___ | ___ | ___ | ___ |
| 4.72 | I follow good nutritional habits. | ___ | ___ | ___ | ___ | ___ |
| 4.73 | I get enough sleep and wake up refreshed every day. | ___ | ___ | ___ | ___ | ___ |
| 4.74 | The most important things that happen to me involve my job. | ___ | ___ | ___ | ___ | ___ |
| | | ___ | ___ | ___ | ___ | ___ |

43. Have you suffered a personal loss or misfortune in the past year?

4.75 1 ( ) Yes, two or more 2 ( ) Yes, one 3 ( ) No

44. How often do you experience physical symptoms (e.g., headaches, anxious, stomach/intestinal pains)

4.76 1 ( ) Always 2 ( ) Often 3 ( ) Sometimes 4 ( ) Seldom 5 ( ) Never